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NEWS SUMMARY

GENERAL

Easter strike threat to flights

Luton airport air traffic controllers have voted to go on strike for four days over Easter.

The action by National and Local Government Officers' Association members in support of their pay claim will hit one of the busiest package holiday air terminals at a peak period.

Over 30,000 passengers could be affected by the strike, due to start on Thursday, April 3. **Back and Page 7**

Rhodesia delay

Britain agreed to delay Rhodesian independence until mid or late April, following requests from Prime Minister Robert Mugabe.

Diplomat meeting

The UN inquiry commission met the three U.S. diplomats held in the Iranian Foreign Ministry during its investigation of grievances against the deposed Shah, the UN disclosed.

Carter victory

President Jimmy Carter and Ronald Reagan won crushing victories in U.S. primaries in Florida, Georgia and Alabama. **Page 5**

Kennedy riddle

Records of Senator Edward Kennedy's telephone conversations immediately after the accident at Chappaquiddick were not disclosed to the court [illegible] the events, according to a New York Times report.

Ladbroke setback

Ladbroke Group has failed its latest attempt to win back three London casino licences, but intends to appeal against the High Court refusal to reopen the case. **Back Page**

EEC passport bid

European Parliament is to urge the Council of Minister to press for the introduction of a uniform EEC passport. **Page 2**

Tito: 'no hope'

President Tito's condition has deteriorated, and was described by his doctors as very grave. They ruled out any chance of recovery.

TV film protest

A BBC Nationwide film on a Welsh group which has claimed responsibility for fire-bombing English-owned holiday homes was shown last night, a day earlier than planned. Welsh Minister Nicholas Edwards and other MPs attacked the decision to screen it.

Hostage impasse

Negotiations on the release of hostages held at the Dominican Republic's embassy in Colombia for two weeks have reached stalemate.

Pint-size spies

Irish Republic Vintners' Federation is sending out bar-room spies to stop landlords bending licensing laws.

Briefly . . .

Scotland's leading orchestras may be disbanded because of regional grant cuts.

South African golfer Gary Player said he would leave the country if right-wing Cabinet Minister Dr. Andries Treurnicht came to power. South Africa: between backlash and revolt, **Page 23**

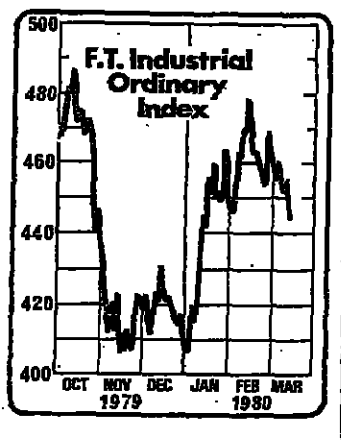
Former boxer who punched his noisy punk rock band neighbours was given a conditional discharge at the Old Bailey.

Dutch woman strangled a deer which attacked her and two other hikers on a heath.

BUSINESS

Equities off 10.7; Wall St. declines

● **EQUITIES** market reflected disappointment at Turner and Newall's profit figures and concern over next Monday's settlement prospects. The FT 30-share index fell 10.7 to 444.9, the lowest for eight weeks. Golds rallied, the index regaining 12.2 to 310.8.



● **GILTS** were a shade easier, longs losing up to ¼ and shorts up to 1/16. The Government Securities index lost 0.1 to 64.08.

● **WALL STREET** fell 13.31 to 813.14 near the close amid fears that President Carter's long-delayed anti-inflation package would be inadequate.

● **STERLING** gained 75 points to close at $2.2345, its trade-weighted index rising to 72.5 from 72.2. **DOLLAR** eased slightly, but its index remained at 87.4.

● **GOLD** rose $19 an ounce to $567.5 in London.

● **FRANCO-SOVIET** trade rose to over FFr16bn (£1.71bn) in value last year, with French exports rising by 30 per cent. **Page 6**

● **KUWAIT** is looking for investment participation with oil companies in refinery and petrochemical projects in return for long-term supply agreements. **Back Page**

● **HOTPOINT** is seeking a court declaration that its products have been treated as "loss leaders"—through a special type of pricing simply to attract customers—by the Comet retail chain. **Back Page**

● **INSTITUTE** of Directors is to link up with Tyzack and Partners, management consultants, to form a recruitment service for non-executive directors. **Back Page; Editorial comment Page 22**

● **NEW COMMERCIAL** vehicles registration totalled 25,371 last month, up 12.75 on a year ago, with importers' share of the market rising to 23.62 per cent from 18.99 per cent. **Page 7**

● **LONRHO** move to compel disclosure of Shell and BP documents presented to an inquiry into Rhodesian sanctions busting has been rejected by the Court of Appeals. **Page 8**

● **BRITISH** companies are negotiating with East Germany on 14 projects, worth about £750m, and hope to win a considerable share of contracts. **Page 6**

COMPANIES

● **F. W. WOOLWORTH** reports a 7.8 per cent rise in taxable profits from £53.1m in 1978 to £57.25m last year, with a £4m improvement in final quarter earnings. **Page 27 and Lex, Back Page**

● **BSR,** the sound systems and consumer products group, reports taxable profits down to £3.88m last year, against £15.17m a year ago. **Page 26 and Lex, Back Page**

● **SEAGRAM,** the world's biggest distilling group, reports second-quarter profits down from $18.4m to $8.7m (£3.9m), following foreign exchange losses. **Page 28**

CHIEF PRICE CHANGES YESTERDAY

(Prices in pence unless otherwise indicated)

RISES

BTR	334	+ 8
Channel Tunnel	160	+ 15
De La Rue	652	+ 27
Fairview Estates	242	+ 7
Mills & Allen Intnl.	316	+ 13
More O'Ferrall	140	+ 20
Walker (J. O.)	118	+ 14
Siebens (UK)	390	+ 20
Blyvoor	558	+ 54
Durban Deep	£13	+ 1½
Impala Plat.	286	+ 18
Leonard Oil	75	+ 15
Rustenburg Plat.	252	+ 18
St. Helena	£15½	+ 1½
Western Deep	£16¼	+ ¾

FALLS

British Sugar	165	− 5
Grand Metropolitan	127	− 5
GKN	270	− 5
Hepworth (J.)	69	− 4
ICI	362	− 8
LWT A	123	− 13
Ladbroke	143	− 4
Lister	64	− 4
Peters Stores	64	− 6
Rolls-Royce	60	− 3½
Stylo Shoes	160	− 10
Tube Invs.	286	− 8
Turner and Newall	109	− 18
Woodward (H.)	44	− 4
BP	354	− 8
Leichardt Expln.	325	− 20
Pacific Copper	166	− 18
Peko-Wallsend	410	− 25

French press for formal proposals on UK contributions

BY ROBERT MAUTHNER IN PARIS

France yesterday issued a stiff warning that it was not prepared even to discuss the controversial question of Britain's contributions to the EEC Budget at the European summit on March 31, unless the Brussels Commission rapidly submitted formal proposals for a solution.

The warning followed an equally tough statement made on Tuesday night in which the French Government made clear that it would make no concessions to the UK on British lamb exports to France, unless Britain accepted that the Community should extend to lamb the regulations which apply to other agricultural products, such as beef. Lamb has been the only major farm product not covored by the Common Agricultural Policy.

Significantly the statement did not mention that France had banned imports of British lamb in defiance of an order by the European Court of Justice.

The French are thus stepping up the war of nerves against Britain only two days after the interview given by Mrs. Margaret Thatcher on French television, in which she forcefully explained the UK's reasons for seeking a reduction in its net contribution to the Community budget.

The interview received wide publicity in France, clearly persuading the French Government that a speedy response was needed.

In a communique issued after yesterday's weekly Cabinet meeting, France accused the European Commission of failing to table formal proposals for a solution to Britain's budgetary problem in line with a request from the heads of government of the Nine at their Dublin summit in November last year.

If such proposals were not submitted to member governments in time for them to be thoroughly studied before the next summit, France would refuse to consider them at that meeting.

The communique emphasised that in the absence of formal Commission compromise proposals France would refuse to discuss any other proposals which might be made during the summit meeting.

In adopting this position the French are ignoring proposals made by the Commission at the beginning of February. These call for greater regional spending in the UK to reduce Britain's burden of payments to the EEC budget. Apparently France does not consider these proposals to have been presented according to the usual formal procedure.

Yesterday's French Cabinet communique marked further reinforcement of the intransigent stand taken at a meeting of Ministers on the Common Agricultural Policy the previous evening.

After the meeting a communique was issued saying: "No concessions will be made by France to Britain (on lamb imports) as long as the latter country opposes an equitable and effective solution of this subject."

John Wyles writes from Strasbourg: Commission officials were puzzled and surprised by the French Government's declaration. They pointed out that discussion of the Commission's proposals for settling the British budget problem, put forward on February 5, is due to take place in Brussels today.

The proposals will be reviewed by EEC Finance Ministers on Monday and by Foreign Ministers on Tuesday. Commission officials say these discussions make the timing and content of the French announcement difficult to interpret.

ICI cuts capital spending as profitability falls

BY SUE CAMERON, CHEMICALS CORRESPONDENT

IMPERIAL Chemical Industries is to reduce its capital spending over the next few years because of "inadequate levels of cash flow and of profitability."

Last year the group authorised the spending of £552m worldwide—substantially less than the £788m that was sanctioned in 1978. Capital spending authorisations for the UK alone amounted to £286m last year compared with £466m in 1978.

ICI's annual report, published yesterday, says forecasts of reduced demand for chemicals were partly responsible for the decision to cut the level of sanctioned investment. But it stresses that the actual sum spent last year—as opposed to the amount sanctioned—was higher than in 1978.

The group spent a total of £760m worldwide in 1979, £432m of it in the UK. In 1978 the figure was £701m, £430m of it in the UK.

Sir Maurice Hodgson, ICI chairman, said yesterday that profit margins generally were still "inadequate." U.S. chemical producers had a considerable advantage over European companies because of the comparatively cheap, Government-controlled price of oil and gas in America.

The U.S. cost advantage had already had an impact on ICI's fibre business and, Sir Maurice warned, would soon hit other sectors of the chemical industry. He forecast that plastics would be next on the list and said that imports of plastics from the U.S. were increasing.

Last year ICI's fibre business showed a trading loss of £33m compared with a loss of £13m in 1978.

Trading profits on the group's industrial explosives, organic chemicals and pharmaceuticals production were all down on the figures for 1978 although volume sales were higher in all three sectors.

Sales of industrial explosives rose from £192m in 1978 to £196m last year but trading profit dropped from £22m to £18m. Sales of organic chemicals went from £502m to £519m but trading profits dropped from £21m to £7m. Pharmaceuticals sales increased from £293m to £317m while trading profits dropped from £68m to £66m.

ICI says exports of its industrial explosives and its pharmaceuticals were hit by the strength of sterling. The performance of its organic chemicals division improved markedly, but over-capacity prevented the group from increasing prices sufficiently to cover cost rises.

The group is making a strong push to increase its share of the US chemicals market. Last year ICI Americas had a turnover of just under $1bn but the aim is to increase this to $2.5bn by 1985. This may be done partly through acquisition—Sir Maurice said there were opportunities for ICI to build up its strength in the U.S. through purchases.

He also said that, although world output of chemicals rose by 6 per cent last year, prospects for growth were "poor."

Problems in the Middle East were likely to result in "continuing uncertainty and instability in oil supplies and prices."

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Lex Back Page
Chemical investment Page 8
Brussels action on U.S. fertilisers Back Page

Turner and Newall profits fall

BY BARRY RILEY

TURNER AND NEWALL, the industrial group, disappointed the City yesterday when it announced a sharp fall in pre-tax profits from £39.7m to to £27.5m for 1979.

The outturn contrasted with the group's optimism last September when it forecast that the second half of the year would produce somewhat better results than the £18.8m pre-tax profits of the first six months. In fact, the July-December period generated only £8.7m pre-tax.

Shares slumped 18p to 109p on the news, cutting nearly £20m from the company's stock market capitalisation. But there was some relief that T and N has decided to maintain the level of its dividend, although this has been only just over half covered by the year's earnings.

Mr. Stephen Gibbs, the chairman, said yesterday that the results were "very disappointing." The group had been affected by adverse factors like the engineering strike, which cost between £3m and £4m, and the strength of sterling. In addition, home and export markets weakened late in the year, especially for motor components and some plastics materials.

Group results were also hit by the running-in costs of new plants, including major PVC and glass-fibre insulation projects. Capital spending was £34m last year.

But Mr. Gibbs pointed out that the group's results included nothing from the substantial Rhodesian interests, although it was hoped they would be consolidated in respect of the current year.

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British Steel offers 13% deal

By Christian Tyler, Labour Editor

STEEL UNIONS were believed to have been offered a 13 per cent pay rise as the price of a compromise productivity package provisionally agreed yesterday.

The British Steel Corporation offer is 1 per cent than the last one, which was based on tougher conditions and was almost certainly unacceptable to the 10 union negotiators.

As the third day of bargaining drew to an end, the unions left the negotiating room at the Corporation's London headquarters and waited for management to consider its next step.

It was clear the talks were reaching breaking point. An offer of less than 14.4 per cent, which the corporation had advertised as a minimum if its terms were accepted, would be greeted with dismay by the stel workers on strike for more than 10 weeks.

The 13 per cent was thought to be split 9 per cent for a national increase and 4 per cent as a minimum from local bonus schemes.

The union negotiators went in looking for about 18 per cent. Steel militants have demanded 20 per cent without strings.

British Steel executives were considering whether to ballot on the revised offer, following the limited success with an earlier test of strikers' opinion. This showed a majority in favour of voting on the 14.4 per cent offer.

There is no certainty that a ballot on 13 per cent would settle the issue in the corporation's favour.

If a unilateral ballot were conducted, the unions might refuse to sign the document hammered out. This lists acceptable productivity concessions which the unions would be expected to deliver at national level.

The last major sticking points in the productivity arguments were removed after 22 hours at the bargaining table.

The Steel Industry Managements Association, representing 11,000 managers, is negotiating with the corporation on its own pay claim. This has not been quantified, but the association is talking about 17 per cent on basic salaries to match inflation, with more from bonus schemes.

Pickets arrested, Page 11

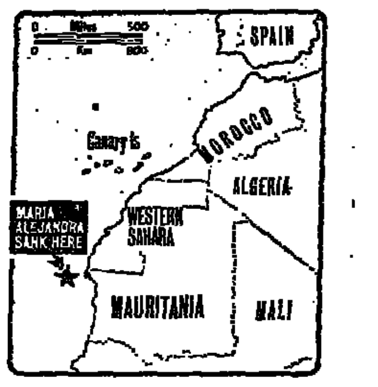
£ in New York

—	Mar. 11	Previous
Spot	$2.2260-2270	$2.2185-2195
1 mth	0.05 dis-nil	nil-0.05 dis
3 mths	0.25-0.30 prem	0.15-0.21 prem
12 mths	0.30-0.15 dis	0.30-0.20 dis

Safety fears grow after tanker sinks

BY WILLIAM HALL AND JOHN MOORE

GROWING CONCERN about the safety of very large crude carriers has increased following the sinking of the Maria Alejandra, the 236,000 deadweight ton vessel which exploded off the West African coast at midday on Tuesday.



The ship, whose loss was not known till early yesterday, is the eighth VLCC to sink in the last 15 months.

There are only 715 vessels of more than 200,000 dwt out of a world total of 71,000 ships. Until recently they were considered among the safest because they were newer and carried more up-to-date equipment.

Rescue

The cause of the explosion aboard the Maria Alejandra is not known. The disaster, in which 36 people are thought to have died, is especially worrying since the ship was only three years old and had the latest equipment, such as inert gas systems, for preventing explosions.

It is reported to have sunk in less than a minute, 100 miles off the Mauretanian coast. Of the 36 crew and seven passengers aboard, rescue ships have picked up only seven survivors and two bodies.

The tanker was owne dby Maroil S.A., a Madrid based group, and was on charter to Cepsa, another Madrid company. It was bound for the Gulf to pick up a consignment of oil when it exploded.

The insured value of the hull of the vessel, built in 1977, was £20m. The insurance had been arranged in Spain, but there has been substantial re-insurance cover arranged in the London and Lloyd's insurance market.

Last night London underwriters, and Willis Faber and Dumas, the brokers who arranged the re-insurance programme, were still attempting to assess the total liability which they would have to meet.

The eight ships lost in the past 15 months have gone down in various circumstances. The most common cause has been an explosion, often associated with tank cleaning. But the Aegean Capital and the Atlantic Empress collided and cost world insurance markets more than $120m.

The loss of the Amoco Cadiz in 1978 first focused international attention on the serious safety and pollution problems associated with VLCCs. Considerable work has been done since to improve the fail-safe steering systems and the provision of stronger cables and anchors to stop ships drifting aground.

Important

But many of the accidents have been the result of human error, which is now causing most concern.

Mr. C. P. Srivastava, the secretary-general of IMCO, the UN body looking after safety at sea, said in London yesterday that for a long time in the 1970s there was a feeling that if ships were filled up with equipment all would be well. But in fact this was not the case: far and away the most important factor was the human element.

MAJOR SHIPPING LOSSES
(vessels over 200,000 dwt)

1969	Marpessa	206,805	Explosion
1973	Golar Patricia	216,326	Explosion
1975	Berge Istra	227,556	Explosion
1976	Olympic Bravery	277,599	Ran aground
1978	Amoco Cadiz	233,690	Ran aground
	Andros Patria	218,605	Explosion
1979	Atlas Titan	212,751	Fire
	Aegean Captain	210,257	Collided
	Atlantic Empress	292,666	Collided
	Berge Vanga	227,912	Explosion
	Energy Determination	321,186	Explosion
1980	Salem	215,000	Explosion
	Maria Alejandra	236,000	Explosion

THE PALACE, THE CHELSEA FLOWER SHOW, HARRODS AND BELGRAVIA HAVE MOVED NEARER TO KNIGHT FRANK & RUTLEY

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CONTENTS

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Swedish unions seek 11.3% as inflation rises

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

PROBLEMS ON the Swedish labour front are growing as the inflation rate accelerates. Lands Organisation (LO), the blue-collar workers' union federation, has tabled a claim for an 11.3 per cent wage rise and its member-unions have given notice that current agreements will expire on March 21.

The Statistical Central Bureau yesterday reported a 5.1 per cent increase in the consumer price index between the middle of December and the middle of February, while the State price and cartel board recorded a 4 per cent general price rise in January and February.

These indices usually show larger increases in January, but the February figures indicate that the inflation rate has moved up and will reach 13 per cent for the year.

The national wages settlement between the unions and employers formally expired on October 31, but was automatically extended each week until the unions gave notice. So far, the employers' association has not budged from its stand that no increase in wages is possible this year.

It estimates that the 11.3 per cent demanded by the LO, with the 1.6 per cent increase negotiated at the end of last year to compensate for price increases, the 1 per cent rise in employers' payroll charges, and the expected wage-drift of over 3 per cent, would raise industry's labour costs by 17-18 per cent.

This, it is feared, would undermine Sweden's competitive position on exports and necessitate a devaluation of the krona.

With the employers and unions so far apart, pressure is growing for the Government to intervene. But neither the Government nor the employers are anxious to tackle the incomes issue until after the referendum on nuclear power on March 23.

By demanding an 11.3 per cent wage increase and giving notice which would enable them to take industrial action after March 21, the unions are trying to force the Government to show its hand.

The Government has so far stuck to the attitude that the employers and unions must negotiate a wages settlement on their own. But it is understood to have prepared a package of measures which could facilitiate union restraint.

The package would include a scheme for siphoning off company profits into investment funds to be held by the Riksbank (central bank).

But the Government's room for maneouvre is limited by the large budget deficit and by its one-vote majority in the Riksdag (Parliament).

The LO could also be tempted to exploit the incomes talks to bring down the Government and open the way for a return to power of the Social Democrats.

Norway oil-drilling row

BY FAY GJESTER IN OSLO

THE LEGALITY of the Norwegian Government's decision to allow oil-drilling on one of the country5s richest fishing grounds, off northern Norway, has been questioned by fishermen and politicians, in a last-minute attempt to delay parliamentary approval of the scheme.

The Storting (Parliament) is due to debate the Government's plans today, and is expected to confirm its approval of exploration, to start in May, on three concessions awarded earlier this year.

Until now, the Government has not permitted exploration drilling north of the 62nd parallel, because of rough weather, and the pollution risk to the area's rich fish stocks.

Pustice Ministry officials were yesterday assessing the legal position, in time for today's debate. The Government ordered the review after receiving a report on legal aspects of the drilling, prepared by three experts from the Institute of Fisheries Studies at Tromso University.

The report said the State probably had no right to permit exploration on the Tromso patch fishing grounds because the move would infringe fishermen's traditional rights. These ... traditionally protected

Denmark moves to limit overtime

By Hilary Barnes in Copenhagen

THE DANISH Government announced yesterday that it will shortly introduce legislation aimed at limiting overtime. If passed, the law could have significant implications for the debate in Western Europe over how far cuts in working time help to combat unemployment.

Mr. Svend Auken, Minister of Labour in the minority Social Democrat Government, said that Danes put in about 100m hours overtime a year, equal to 50,000 jobs.

If overtime restrictions created only 10,000 new jobs, *they would still help to reduce* unemployment, now running at about 150,000, or 7 per cent of the labour force, he said. The total of those without jobs was expected to rise to about 200,000 by the end of the year.

The Danish employers' federation, however, believes the measure would fail to create jobs, partly because dispensations would have to be allowed. Employers have expressed the fear that cutting out overtime could actually reduce employment.

Under the Government's proposal, each employee would be *limited to 100 hours of overtime* a year, and overtime worked would have to be compensated for by an equal amount of time off in normal hours.

This kind of arrangement has been canvassed by some European trade unionists as an effective method of reducing overtime, because it restricts employers' opportunities for using systematic overtime. If time off is given instead of the high premium rates offered for overtime in many countries, it can also reduce a worker's financial incentive to put in extra *hours.*

Many unions are convinced that cuts in overtime are crucial to the general push for reduced working time. Overtime working can often wipe out cuts in nominal working hours.

Mr. Aukens' proposal follows the recommendations of an official committee which claimed that limiting overtime could provide new jobs.

But employers argued that in industries where overtime was prevalent there was no extra available labour, and in industries where there was unemployment there was no overtime.

They also said a ban on overtime would be so inflexible that companies would be deterred from accepting orders

EMS: stabilising force in a turbulent year

BY DAVID MARSH

THE EUROPEAN monetary system, one year old today, has so far borne out neither the principal hopes nor the strongest fears which were associated with its creation.

Inflation rates within the EEC have accelerated dramatically, instead of converging in the direction of West German-style stability, as the architects of the scheme had hoped. On the other hand, the EMS has indeed functioned so far very much like the zone of exchange rate stability it was set up to be.

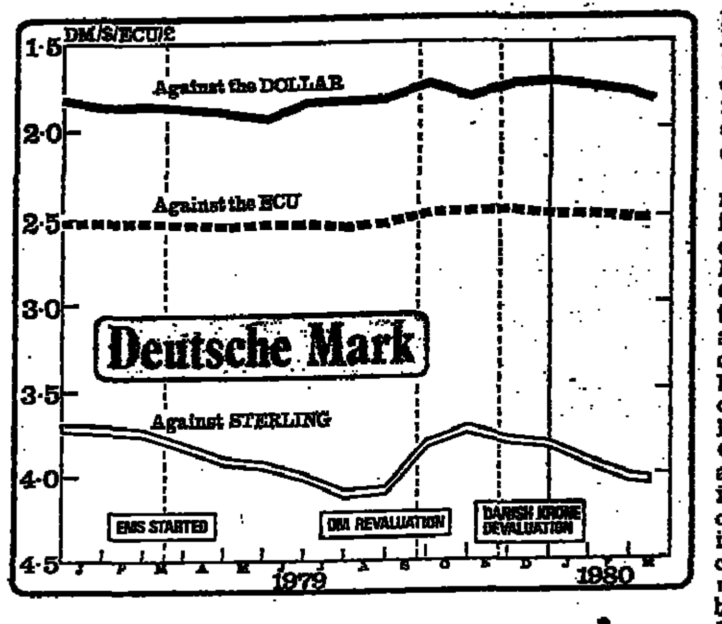
The regular currency flare-ups predicted by the pessimists have not materialised. The two EMS realignments last autumn—one major, one minor—were carried out without undue fuss. And last week's report by the European Commission showed that, during 1979, EEC exchange rates were more stable than in any other year since 1972.

The scheme's relatively trouble-free operation after a year of turbulence on the international political and economic stage owes much to an increasing acceptance within the EEC of what one European central banker calls the "rules of the game." These set down that EMS members have no option but to follow in a highly co-ordinated way the tough monetary policies in the most stability-orientated EEC country, West Germany, even though such policies might be highly unpalatable when seen purely from the domestic point of view.

The "rules" inevitably bring a loss of autonomy in monetary policies. This is something that Britain, in particular, has to consider very carefully now that the question of sterling's full membership of the EMS is again under discussion in Whitehall.

Internationally, countries are putting far more emphasis on tough monetary policies and firm exchange rates as integral components of the fight against inflation.

Within the EMS, Belgium and Denmark, in particular—the two most consistently weak members of the scheme—have been forced to push up interest rates over the past year to well in excess of their inflation rates in order to maintain exchange rate stability against the Deutsche Mark.



The rules may get even tougher this year. After more than a decade of piling up current account surpluses, West Germany has been in deficit every month since last May, and an unprecedented current account shortfall of DM 20bn (£5bn) is forecast for this year. The Bundesbank has been making abundantly clear over the past few months that it regards high West German interest rates as essential not only to help attack rising inflation but also to attract capital inflows to finance the deficit.

So it would not be surprising if the Bundesbank once again raised its discount and Lombard rates within the next few weeks in response to the firmness of the dollar and the sharp rise in U.S. interest rates. If that happened, the weaker members of the EMS would almost certainly have to follow.

The West German deficit clearly removes some of the basic upward pressure on the D-Mark which was the source of constant exchange rate upheavals during the years of the EMS's predecessor, the European currency snake.

As the chart shows, the D-Mark has been remarkably steady over the past 12 months against the composite currency benchmark of the EMS — the European currency unit (ECU).

There are, however, three main problem areas:

- With EEC inflation rates widely divergent between 22 per cent in Italy, and 5 to 6 per cent for West Germany, Belgium and Holland, the past 12 months of relative foreign exchange stability have in fact resulted in the low-inflation currencies suffering severe devaluations in real terms.

  Thus pressure for exchange rate adjustments could be building up just as it did in the old days of fixed rates under the Bretton Woods system.
- The Bundesbank's intervention to prop up the D-Mark against the dollar, if continued, could put strain on the weaker EMS currencies by helping to depress them in terms of the D-Mark.
- Finally, EEC governments are regarding with mixed feelings Britain's re-consideration of EMS membership. Sterling, in its new-found role of a petro-currency backed by a strongly monetarist government, has been the high-flier of the foreign exchanges over the past 12 months. If it had been a full member of the EMS, it would long ago have gone outside its limits set under the scheme.

With the UK inflation rate well above the international average, the pound of course is also highly susceptible to a downward correction. Sterling's volatility is one reason why the British Treasury still has considerable misgivings about entering the scheme. Admission of the petro-pound might not at all be in the interests of another year of EMS stability.

Italy seeks introduction of European passport

BY WALTER ELLIS IN STRASBURG

ITALY, which currently holds the presidency of the EEC Council of Ministers, is to press for the early introduction of a uniform European passport.

Sig. Giuseppe Zamberletti, the Italian Secretary of State for Foreign Affairs, told the European Parliament yesterday that Rome would spare no effort to bring the matter to the Council's attention. A uniform passport for Community citizens would be a milestone on the road to a new Europe and Italy hoped that agreement could be reached "very soon."

The Parliament demonstrated considerable enthusiasm and passed a resolution urging the Council to take a *positive decision* as quickly as possible. The only significant opposition came from British Socialist members and from Danish representatives, the British Conservatives adopting a much more "European" approach than their own Government in London.

Proposals for a common passport have been current in Europe since the Paris summit of December, 1974. But, in addition to countering objections on the theme of national sovereignty, supporters of the projected document have had to cope with disagreements over its colour, the language to be used, and the layout of its cover.

Now, most of these disputes have been resolved. It has been established that the Burgundy-coloured passport should not be a Brussels-*administered device but* a national one.

Only the format would be common, so that citizens could be identified as Community members and also as citizens of their own historic nations.

Britain remains sceptical, however, and is pushing instead for a machine-readable passport, to include mention of EEC status.

West German electrical industry hoping for expansion of 5%

BY KEVIN DONE IN FRANKFURT

WEST GERMANY'S electrical and electronics industry, one of the most important manufacturing sectors in the Federal Republic, is expecting expansion of 4 to 5 per cent in real terms this year. The major impetus for growth is expected to come from continuing high demand for capital goods and equipment.

Last year the industry pushed its total sales to DM99.3bn (£24.7bn), a real growth of 4 per cent compared with 1978.

As a result of weak demand in the first half of the year the industry failed to grow as fast as it had hoped in 1979 and the 3.5 per cent real growth in production fell appreciably *below the average for West German* manufacturing industry of 5.1 per cent.

The development of the electrical sector was held back by the decline in sales of consumer goods, which fell 4 per cent below the level achieved in 1978.

Manufacturers of television sets, radios and stereo equipment were particularly hard hit. Their sales fell by just over 9 per cent and the value of new orders taken during the year completed the dismal picture with a drop of 8.9 per cent.

Imports now account for more than a third of sales of television sets and radios in the West German market, while nearly 60 per cent of the market for stereo systems is now in the hands of foreign suppliers. Importers are also taking about 40 per cent of all refrigerators sold and about 17 per cent of the washing machine market.

The imbalance of trade between Japan and West Germany in television sets, radios and stereos has now reached staggering proportions. West German *exports to Japan last year* in this sector totalled DM 3.8m, while equivalent Japanese goods entering the West German market reached a value of DM 1.2bn.

Overall the electrical and electronics industry still has a healthy balance of trade surplus, however, with exports last year totalling DM 35.2bn and imports DM 22.4bn.

Imports showed by far the faster rate of growth, however, rising by 14.5 per cent in real terms compared with an increase in exports of 2.9 per cent in real terms and 4.6 per cent in value.

Imports account for 34 per cent of the West German electrical and electronics market and there was a particularly sharp increase last year in imports of telecommunications equipment (12.1 per cent), electronics components (11.4 per cent) and household appliances (7.7 per cent).

The West German industry's production picked up significantly in the second half of the year — increased order levels *take some four to six months* to be translated into higher output — and by the end of the year the sector was working at 81 per cent of capacity, the best level since 1975.

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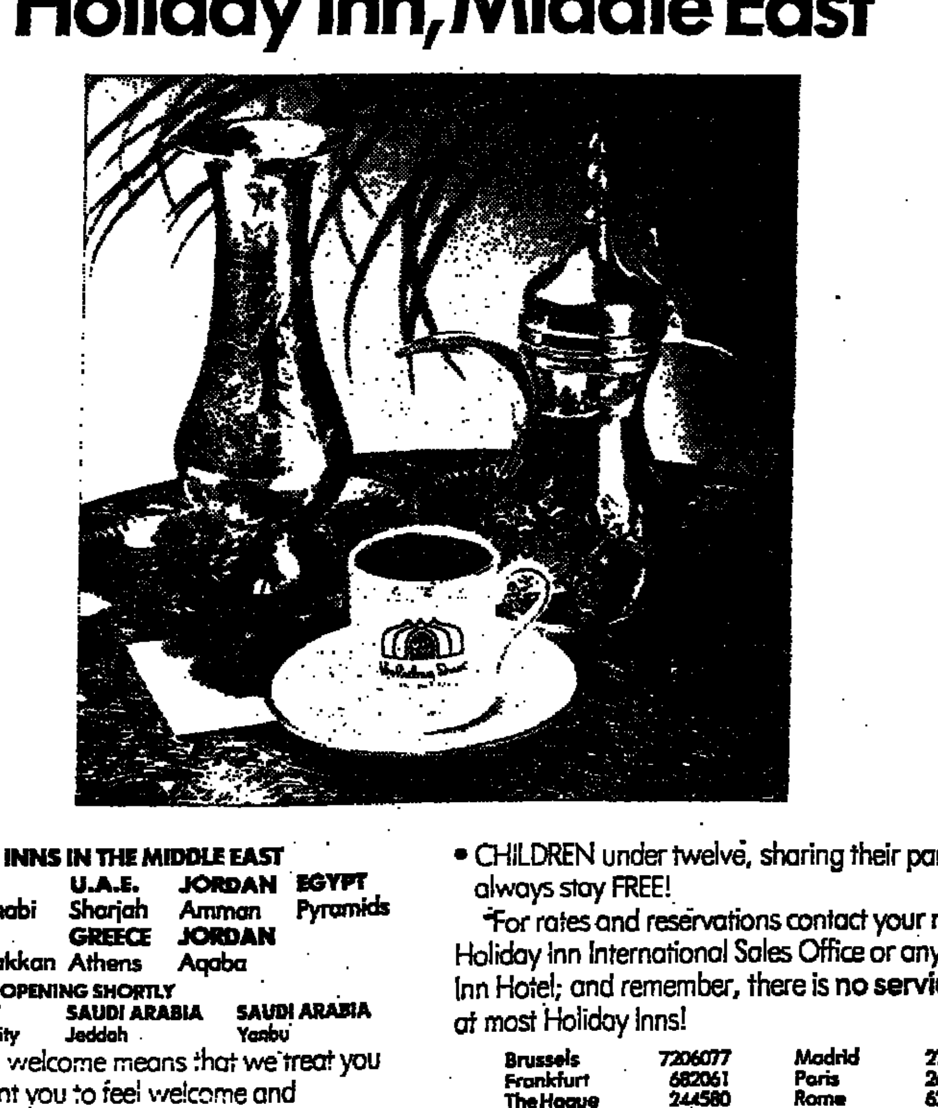

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How the French Government bought change in the steel industry

BY TERRY DODSWORTH IN PARIS

WHEN FRANCE'S steelworkers took to the streets last year in sporadically violent protest against the draconian government-backed cuts in the industry, there were widespread forecasts of imminent revolution. But the storm never broke. Bit by bit, during the five months of exhausting negotiations, the protesters were bought off until today only a few isolated pockets of dissent remain.

The price of peace was high, probably higher than the Government had first bargained for. But there was never any question of the Government's commitment to finding a settlement.

In theory, the restructuring of the industry which was set in motion in mid-1978 left in private hands the two big companies which emerged from the process. In practice, as everyone recognises, the Government was intimately concerned in seeing the plan through. The steel workers, better organised than most industrial groups, could have done immense damage to labour relations in general if the slimming plan had misfied.

The Government also seized on the steel industry problems to hammer home one of its main industrial messages—that the 19th century industries must be streamlined in proportion to the needs of a sophisticated economy, and the spare resources re-directed into 20th century technology.

Thus the groundwork for the 21,000 redundancy programme was laid carefully at the end of 1978 with the creation of a special short-term industrial adaptation fund, the FSAI, which was designed specifically to aid this transition.

The FSAI was endowed with FFrs 3bn (£320m), all of which was aimed at the regions suffering from obsolescent industries: the steel-making areas of Lorraine and the North, and the shipbuilding communities in the West and round Marseilles.

The concept behind the fund was to give specially attractive investment allowances—a grant of 25 per cent against investments, plus a subordinated loan of 25 per cent at special 3 per cent rate for the first five years—as good as any in Europe. These funds are to be injected during the crisis period while these areas are going through the most difficult period of adjustment.

Under the terms of the FSAI, a company must create at least 50 jobs and invest FFr 5m (£535,000) to benefit. Clearly, such a scheme has limited application, so a whole arsenal of other investment allowances is also available in the steel regions. They include:

- The regional development premium. This gives an FFr 25,000 grant for each job created in a three-year period by companies employing at least ten workers and investing more than FFr 300,000. The grant cannot, however, exceed 25 per cent of the investment.
- Loans from the economic and social development fund. These give soft rates related to the prevailing lending climate and to the particular demands of the company concerned.
- The employment support fund, which supplies subordinated loans to small companies which cannot benefit from the FSAI.
- A regional grant for new companies. This helps fund start-up costs for businesses which promise to employ at least six people within three years.
- Exoneration from local property taxes. A number of regional authorities are waiving the taxe professionnelle, the main local tax on business, over a period of five years for new companies.
- Building aids. Some local authorities are building advance factories which are then rented to new businesses at much reduced rates for two years, after which the company can buy the property.
- Aids from the steel companies. Under this scheme, the steel companies themselves sometimes help finance new businesses by taking an equity stake.

This battery of aids has undoubtedly begun to attract new jobs into the steelmaking areas. But this is a long-term policy, designed to look after future employment needs as much as the present problem. In the short term, an equally important requirement has been to cushion the departure of the 21,000 surplus workers. This has been achieved through three main devices.

The first of these is a special FFr 50,000 (£5,300) grant for any steelworker wanting to leave the industry for good. This is an additional grant on top of normal redundancy hand-outs, which guarantee workers sliding scale payments starting at 75 per cent of their last pay during the the first year after being turned out of a job. For foreign workers, who make up a sizeable proportion of the labour force, particularly in Lorraine, there is an extra FFr 10,000 grant.

About 5,000 workers have taken advantage of this scheme.

Secondly, the Government is financing a vast number of early retirements. All the over-55s in the industry are being retired on 70 per cent of their previous salary, while a large number of the workers aged between 50 and 55 (those in particularly demanding jobs), are being retired on 79 per cent of former salary. A monthly minimum of FFr 2,400 was set for these payments.

Some 12,000-12,500 men fall into these two retirement categories.

Thirdly, there are detailed provisions for retraining. The 4,000 or so workers in this group have the right to refuse two job offers, but on the third refusal their case is looked at by a special committee and they can be made redundant. If the new job pays less, the former employer makes up between 60 per cent and 80 per cent of the difference, but if the new pay is 15 per cent lower than the former salary, they have the right to an additional FFr 10,000 grant.

The redundancy programme is scheduled to extend up to June 1981, but already more than half the 21,000 steelworkers who are leaving the industry have gone. Another 16,000 departed in the 1977-78 period when there was a similar, though less generous, reorganisation scheme. The net result will be a workforce slimmed to about 109,000 in an industry in which effective capacity is expected to have reduced from 32m tonnes of steel a year to 24m tonnes.

"Some of the costs of the reorganisation will be borne by the EEC. In the 1978-79 period, the Community stumped up some FFr 873m (£93m) in investment loans, plus some additional funds for retraining, although these are difficult to quantify. But the main burden lands squarely on the shoulders of the French taxpayer.

He is effectively underwriting the reorganisation on three counts: the FFr 3bn industrial adaptation fund; a calculated FFr 10bn which, during the next five years, will be spent on cleaning up the overstretched steel companies' balance sheets; and another estimated FFr 7bn for the social measures. That makes a total of FFr 20bn (£2.15bn), a sum equal to about half of the current annual budget deficit.

There are many critics of Government policy who think it was too high a price to pay, some trade unionists still protest that it was too low. The Government obviously thinks that it was the necessary cost for cauterising the worst running sore in the French economy.

BRUSSELS — European Community steel plants will continue to work at just under two-thirds capacity in the second quarter of 1980, the EEC Commission said yesterday, Reuter reports. It forecast an output of 34.5m tonnes in the three-month period, the same as in January-March, and slightly down on last year's figure for the same period, 35.3m tonnes.

The Commission said the industry was suffering from the British steel strike, and from unfavourable export prospects, especially to the U.S.

SIR fine reports contested

By Paul Betts in Rome

ITALY'S troubled chemicals and synthetic fibres group, SIR, yesterday claimed that there were no grounds for the company being fined $260m (£117m) under the EEC's two-year-old fibres cartel agreement. According to previous reports, the fibres industry restructuring agreement, currently being scrutinised by the European Commission, provides the legal basis for the fine.

SIR said yesterday that its fibres operations were in line with Italian Government and EEC policies for the sector. Moreover, it claimed the reports suggesting SIR had some $130m-worth of machinery representing excess capacity were "groundless" in that "this machinery has never been mounted."

CONFINDUSTRIA'S SEARCH FOR PRESIDENT

Merloni may be new head of 'Italian CBI'

BY RUPERT CORNWELL IN ROME

A PROTRACTED, and at times embarrassingly difficult search by Confindustria—the national association of Italian private employers and the equivalent of the British CBI—to find a replacement for Dr. Guido Carli, the outgoing president, may at last be drawing to a close.

The apparent choice of a new team of "wise men," specifically picked to sound out a generally acceptable successor to the former Bank of Italy governor, is Sig. Vittorio Merloni, managing director of the Merloni construction and household electrical group.

New candidate

His candidacy only emerged this week, four months after the search began. Such prominent figures of Italian industry as Sig. Carlo de Benedetti, managing director of Olivetti, and Sig. Walter Mandelli, head of Federmeccanica, have briefly appeared as front-runners, only to drop back again.

It is still possible that a last-minute surprise may be in store. But the closeness of next week's deadline, when Confindustria's ruling body is to ratify the choice, and the audible relief all round that a satisfactory compromise at last seems to have been found, make this unlikely.

The new president is due to be installed formally for a two-year term at Confindustria's full annual meeting in May.

There have been several reasons for the delay in finding someone to take on, at such a delicate moment for the economy, the job of spokesman for private Italian industry in negotiations with the unions and Government.

First, the range was narrowed by the general insistence that the new president, unlike Dr. Carli, must be drawn directly from manufacturing industry, with experience of its day-to-day problems.

Regional rivalries

Second, there were rivalries between various regional associations, particularly in the north. Also possible contenders were reluctant to give up managing their companies for the dubious rewards of a political post, over whose real effectiveness there has been some recent disillusion.

If Sig. Merloni is selected, he would meet most of the requirements—even if, to begin, he did not bring with him the glamour of his two predecessors, Dr. Carli, and before him Sig. Giovanni Agnelli, president of Fiat.

Sig. Merloni, who is in his 40s, is one of a younger generation of Italian industrialists. As a representative of a successful company based in Ancona on the Adriatic coast, he would inevitably be seen as a symbol of industry in central and southern Italy, away from its traditional northern strongholds of Piedmont and Lombardy.

Dr. Carli: search for successor ending.

West has biggest monthly price rise in 6 years

BY DAVID WHITE IN PARIS

WESTERN industrialised countries suffered their biggest monthly price rise for almost six years in January, according to figures from the Organisation for Economic Co-operation and Development.

The average January increase of 1.5 per cent was equal to the record set in February 1974, during the first oil crisis. It compared with a 0.9 per cent rise in December.

However, the year-on-year rate was still running about two percentage points below the peak reached in autumn 1974. The rise since January last year was 12.7 per cent. But the annual rate calculated on the basis of the previous six months was a fraction lower, at 12.5 per cent.

Energy prices played a big part in the sharp upward movement, but other commodities also made a substantial contribution. Food prices rose faster than average, partly for seasonal reasons.

Because of the general nature of oil and commodity price increases, the OECD said, the speed-up of inflation was widespread among its 24-member countries.

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Clifford Campbell
Vice President and Secretary
March 7, 1980

Zia seeks Moslem aid for arms

BY DAVID BUCHAN IN WASHINGTON

PAKISTAN HAS rejected offers of military assistance from the U.S. but is expected to purchase U.S. and western supplied arms with funds it is attempting to raise in Saudi Arabia and other Moslem countries.

This emerged yesterday when Mr. Zbigniew Brzezinski, President Carter's national security adviser, denied "one-sided and over-simplified" Press reports that Pakistan had rejected American aid out of hand.

He said that President Zia-ul Haq was keen to accept economic assistance and a reaffirmation by Washington of its 1959 security agreement with Pakistan. But the U.S. fully agreed that Pakistan's first line of security should lie with its fellow Moslem countries.

The rejection of military aid is not seen as reflecting any further deterioration in U.S.-Pakistan relations. In fact Mr. Brzezinski, who travelled to Islamabad last month, said Washington quite accepted that Pakistan did not want "an up-front" military relationship with the U.S.

Military aid from the Moslem world would give the Pakistanis "more flexibility," Mr. Brzezinski said. He was presumably referring to restrictions that the U.S. has long placed on the use of the arms it finances by Pakistan against India.

State Department officials also noted that Pakistan did not want *to pay the "near market"* interest rates on U.S. military sales credits and that it could probably get money cheaper from Saudi Arabia and Gulf states.

The Pakistanis have held talks with the Saudis recently on this, but no one in Washington appears to be privy to the details.

The Carter Administration's efforts to put together an economic aid package for Pakistan—$200m over an 18-month period had originally been suggested—had been "complicated" by the current U.S. budget review, Mr. Brzezinski admitted.

But he claimed some success in getting U.S. allies to help. Last week Chancellor Helmut Schmidt of West Germany promised a doubling of aid, mainly by temporarily relieving Pakistan of some of its debt repayments.

Mr. Brzezinski said that the Pakistanis had been under the misapprehension that they had to take the total $400m package of U.S. economic and military aid which the Carter Administration proposed in January, as a whole or not at all.

Bomb attack on Chamoun

BY OUR BEIRUT CORRESPONDENT

AN ATTEMPT on the life of Mr. Camille Chamoun, leader of the National Liberal Party and Lebanon's foremost Christian *Maronite leader, could seriously* damage efforts by President Elias Sarkis to bring about national agreement on the country's future.

Mr. Chamoun escaped unscathed when a booby-trapped car exploded as his own car was passing, in the Christian quarter of Dora in East Beirut, yesterday, according to the state-controlled Radio Lebanon.

One of his bodyguards was killed and three other people were wounded.

Two weeks ago the daughter of Mr. Bashir Gemayel, military chief of the Phalangist party, *was killed in East Beirut* as a result of an explosion also triggered off by remote control.

That killing was widely attributed to the clan of ex-President Suleiman Franjieh against which the Phalangists and the Gemayel family, in particular, have had a running vendetta since last summer.

Both the Chamoun faction and the Phalangists have been denounced by Syria for alleged collaboration with Israel.

Shah's return still sought

BY SIMON HENDERSON IN TEHRAN

THE SECRETARY of Iran's Revolutionary Council and one of the country's most important religious politicians yesterday declared that the release of the 50 U.S. hostages still depended on the return of the Shah.

But Ayatollah Dr. Mohammed Beheshti insisted that a way could perhaps be found for the United Nations special commis*sion investigating the Shah's* rule to continue its activities.

Ayatollah Beheshti is one of the principal rivals of President Abol Hassan Bani-Sadr, and his words—effectively a challenge to the President, who has tried to separate the issues—indicate the strength of his position in the divided Revolutionary Council.

In parliamentary elections tomorrow *President Bani-Sadr's* Congress of the Islamic Revolution grouping is challenged principally by Dr. Beheshti's Islamic Republican Party. Ayatollah Khomeini has said it is for the resulting Parliament to decide on the *fate* of the hostages.

At the moment a clear-cut result is not expected, partly because of confusing election procedures and partly because of the imprecision of party discipline.

Balanced team to govern Thailand

By Richard Nations in Bangkok

THAILAND'S new Prime Minister, General Prem Tinsulanond yesterday announced the formation of the most balanced Cabinet the country has seen for many years.

Although most Thais still consider political stability too much to hope for, the new Government offers the best chance in well over a decade to square the Thai political triangle surrounding the monarchy, the military and the democratically elected politicians.

As *army commander-in-chief* the new Prime Minister is a military strongman. He also clearly enjoys the King's favour. By bringing into his Cabinet the three major opposition parties — the Social *Action Party, Chart Thai and* the Democrat Party—Prem has also assured himself of a majority of at least 156 seats in the elected Lower House of 301.

The new appointments also secure talent where it is most needed in the crucial economic portfolios. The deputy Prime Minister, in charge of financial affairs, is Boonchu Rajarasthien, president of the Bangkok Bank and deputy leader of the largest elected political party, Social Action.

The Minister of Finance is a Boonchu Protégé and former Under Secretary of State for Finance, Dr. Amnuay Veerawan.

As Finance Minister in the mid-1970s, Boonchu is credited with most of the reforms which marked the country's progressive, if turbulent, democratic period. He is expected to pursue a similar programme to shift credit facilities and the terms of trade in favour of farmers.

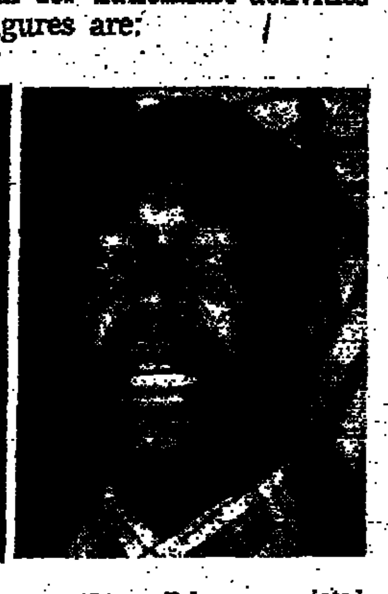
Boonchu also initiated Thailand's first commercial loans abroad, set up the Stock Exchange and attempted to restrict family commercial monopolies. As a leading figure among Thailand's powerful commercial banks, he is expected to carry the *weight necessary to push* Government reforms past the private sector resistance.

The Foreign Affairs portfolio remains in the hands of Air Marshal Sithi Savetsila, a close associate of Gen. Kriangsak, the former Prime Minister. The country's foreign policy is expected to remain unchanged, although Thawat Koman, a former Foreign Minister and leader of the Democrat Party, is now Deputy Prime Minister in charge of foreign affairs. Many diplomats expect him to take a much more rigid line on refugees.

Prem is not expected to face much opposition from within the military. The group of politically minded young army officers which dominates the appointed Senate has its weight behind the new Prime Minister

The men around Mugabe

Mr. Robert Mugabe's Cabinet, announced on Tuesday, reflects the Zimbabwe Prime Minister's determination to have a broad-based Government of reconciliation. The Cabinet is a mix of veteran nationalists and younger university-educated men. More than three quarters of the new Ministers and deputy Ministers have university degrees and at least half the black Cabinet members have spent long periods in jail for nationalist activities over the past 20 years. Some of the principal figures are:



Mr. Joshua Nkomo: His massive figure has been a landmark in Rhodesian politics for nearly 30 years. Leader of the Patriotic Front, which won 20 seats, he hoped to break out of his Matabeleland stronghold and win national support. Although he failed, he remains essential to the broad-based administration. He refused the figure-head position of President, determined to remain a working politician. His ministry could affect the lives of most of the 7m blacks, as it involves administering the tribal trust lands. The police will also come under this portfolio.

Mr. David Smith: One of two white ministers, Mr. Smith, 58, becomes Minister of Commerce and Industry. A bluff, relaxed farmer, Mr. Smith served for more than ten years in Mr. Ian Smith's Government as Agriculture and then Finance Minister.

He was born in Scotland, and still retains a strong Scots burr. He went to Rhodesia in 1946 as a farm assistant, and now runs one of the most successful farming enterprises in the Mazoe Valley, north-west of Salisbury. In recent years he became increasingly critical in private of *Mr. Ian Smith's approach* to black majority rule.

Mr. Edgar Tekere: appointed Minister of Manpower Planning and Development. Like many government members he spent 10 years in *detention*. Mr. Tekere, 43, was born near the eastern border town of Umtali, son of an Anglican priest. After a mission education, he moved to Salisbury and was soon an active nationalist. A genial man, he has a reputation as a tough member of ZANU-PF's Central Committee. He is said to have accompanied Mr. Mugabe into Mozambique in 1975. His ministry will be able to draw on several thousand black university graduates.

Dr. Bernard Chidzero: widely tipped to become Minister of Economic Planning and Deve*lopment, is now deputy* secretary-general of the United Nations Commission on Trade and Development. Dr. Chidzero, 53, probably the most distinguished exiled black Zimbabwean, has degrees from South African and Canadian universities and 20 years' service with the UN and its associated bodies, like the Economic Commission for Africa. His appoint*ment has not been confirmed* since he must first be formally released from his UN post.

Mr. Maurice Nyagumbo takes the Mines portfolio. He had little formal education and as an old-style nationalist and member of ZANU since 1963 has spent nearly 19 of the last 21 years in detention. Born in Rusape in eastern Rhodesia, his diffidence and politeness conceals a passionate belief in nationalist ideals of equality. Surprisingly unembittered by his years in jail — he was released finally only in November, just before Lord Soames arrived. Mr. Nyagumbo, 56, is likely to want to move speedily towards fulfilling the manifesto pledge to improve the conditions and skills of mine workers.

Mr. Enos Nkala: His appointment as Finance Minister has alarmed the business community, most of whom know him only through his outspoken comments during the election. Opinions vary as to whether he will become more pragmatic when faced with the complexities of finance. He joined the nationalist movement in the late 1950s and then spent more than 15 years in detention. He failed to win a parliamentary seat, and is to be made a senator. He spent his early years working *as a book-keeper, being elected* the party's treasurer-general at its only congress in 1964.

Dr. Sidney Sekeremayi: Minister of Lands, Resettlement and Rural Development. No ministry faces a greater challenge. Land and associated issues have always been at the heart of Rhodesian politics, while the seven-year guerrilla war saw at least 250,000 refugees flee to neighbouring states, and as many leave the countryside for the comparative security of the towns. Mr. Sekeramayi, 36, comes from a peasant family. In 1961 he was expelled from secondary school for political activities, but managed to win a university place in Sweden, where he studied medicine. He ended his postgraduate work in Britain in 1977, when he went to Mozambique.

Mr. Dennis Norman: Minister of Agriculture. He is a respected maize and cattle farmer, and has risen to the top of the agricultural hierarchy. Born in Britain, he worked on the family farm in Oxfordshire for five years before emigrating to Rhodesia in 1953 to work as a farm assistant. He served on a succession of agriculture committees throughout the 1960s and 1970s, and in July 1978 was elected president of the Rhodesian National Farmers' *Union, now the Commercial* Farmers Union. Mr. Norman, 49, heads a major ministry—over 80 per cent of the population earns its living directly off the land.

Mr. Simon Mzenda: Deputy Prime Minister for Foreign Affairs. *He is also deputy* president of the ZANU-PF, and is one of the most popular nationalists. An amiable man in his mid-50s, he belongs to the important Karanga group of the Shona-speaking majority. A carpenter and a unionist from a peasant family he remains "a man of the people." A member of the central committee and a trusted friend of Mr. Mugabe, he is expected to take a level-headed approach to foreign policy, whose keynote is non-alignment, although relations with China and Romania will be important, as will those among Western powers.

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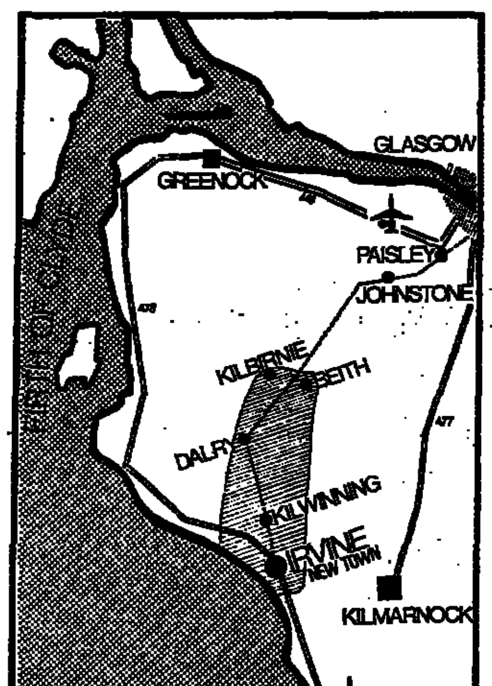

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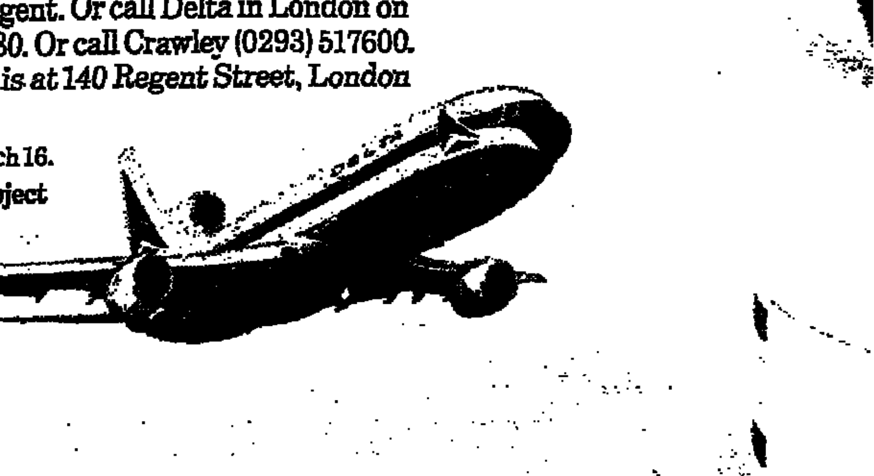

DELTA IS READY WHEN YOU ARE®

U.S. condemns Israeli land takeover

BY DAVID BUCHAN IN WASHINGTON

THE CONTROVERSY over American policy towards Jewish settlements on occupied Arab land heated up on two fronts yesterday, as the State Department condemned Israel's planned expropriation in east Jerusalem and ructions continued about the recent "erroneous" U.S. vote in the UN.

"We deplore this decision (by the Israeli Government) that does not in any way help the peace process," Mr. Hodding Carter, the State Department spokesman, said.

Earlier, Mr. Zbigniew Brzezinski, President Carter's Security Adviser, said he sympathised with the position of Mr. Teddy Kollek, the Mayor of Jerusalem, who opposed the Israeli Cabinet decision to take over 1,000 acres of Arab land in outlying east Jerusalem for Jewish settlements.

He restated the Administration view that the future of the Holy City should be decided in the current Palestinian autonomy talks between Egypt and Israel, and not unilaterally by the Begin Government.

The U.S. opposed Israeli settlement practices and would not have tried to retract its recent vote in the UN condemning them, had not the resolution included inconvenient references to Jerusalem and a call for dismantling Jewish settlements on the West Bank.

The latest Israeli Government action, sweeping enough to force a reaction out of Washington, is causing fresh domestic political headaches for President Carter, who has been trying to calm American-Jewish outrage at the UN vote.

Mr. Carter has repeatedly said the vote was an "error" based on an incorrect reading of his wishes by the State Department (for which its head, Mr. Cyrus Vance, has officially carried the can). Jewish members of his Administration, Mr. Robert Strauss, his campaign manager, and Mr. Philip Klutznick, the new Commerce Secretary, have been sent out to give Jewish voters the same message.

Egypt looks to EEC

BY ROGER MATTHEWS IN CAIRO

EGYPT BELIEVES that a European Middle East initiative could provide a vital safety net for peace if the current negotiations with Israel on Palestinian autonomy fail to make any progress by the May 25 target date.

Senior officials in Cairo have been encouraged by the recent spate of West European statements pledging support for Palestinian self-determination on the occupied West Bank and Gaza Strip.

While they still hope that Israel will change its present rigid negotiating stance in the next two months, they are simultaneously casting around for other policy options that will allow the Camp David accords to be expanded.

Israel has already been warned that Egypt regards May 25 as a deadline and that the next session of autonomy talks in Cairo on March 25 will be regarded as a vital test of Israeli attitudes.

President Anwar Sadat is said to be dismayed by Israel's continued insistence on building Jewish settlements in the West Bank and Gaza Strip and by its failure to offer anything that might eventually tempt the Palestinians or other Arab countries into the negotiations. Close aides believe there is a real danger of Israel taking Mr. Sadat's outward calm for granted and of misreading his intentions.

With Egyptian officials also bemused by President Carter's volte-face over the United Nations Security Council vote on Israeli settlements, there is a growing feeling in Cairo that little help can be expected from the White House until the Presidential elections are completed.

Particular hope has therefore been focused on the role of the nine Common Market members.

Political wisdom discredited in primary battle

BY JUREK MARTIN IN MIAMI

MANY MOONS AGO, when it was reasonable to project a close race between President Carter and Senator Kennedy for the Democratic Party's Presidential nomination, political wisdom ran something like this: After an even skirmish in the Iowa caucuses, the senator would win at home in New England, the President likewise in the south, with neither gaining a decisive advantage before the votes in the big states, Illinois, New York, Wisconsin and Pennsylvania, in the middle of the primary season.

Today, after three more primaries, and a batch of other caucuses, reality is very different and the numbers very stark. Senator Kennedy has won only one state, his own Massachusetts, by better than two to one, and may have an edge in far-away Alaska; Mr. Carter's record is devastating, a three-to-one win in Iowa, victories in three New England states, and huge margins everywhere else.

He won by 10 to one in his native Georgia, six to one in Alabama, nearly three to one in supposedly representative Florida, six to one in the Oklahoma and Hawaii caucuses and two to one in the Washington State caucus.

Fewer moons ago, on the Republican side, after Mr. Ronald Reagan had been upset in Iowa by Mr. George Bush, it was fleetingly popular to maintain that the nomination might not fall into his lap and that he might even be in trouble in the conservative south.

But Iowa is now a distant bad memory: the former governor of California scored a big win in New Hampshire, a narrow one in Vermont, finished a close third in Massachusetts and has carved a swathe through the south tantamount to General Sherman's march to the sea in the civil war, getting well over 50 per cent in South Carolina, nearly 60 per cent in Florida, nearly 70 per cent in Alabama and even more in Georgia.

President Carter . . . delighted at gains.

In the process, such heavyweight candidates as Senator Howard Baker and Mr. John Connally have been knocked out, while Mr. Bush is in dire need of resuscitation. Only the most improbable of the original contenders, liberal Congressman John Anderson, apparently retains the capacity to trip Mr. Reagan up here and there, and only former President Gerald Ford has the theoretical ability to deny him the nomination. (Mr. Ford reiterated yesterday that he will decide after next Tuesday's Illinois primary whether or not to enter the race.)

Even Mr. Ford's chances must be reckoned thin, however. By this stage four years ago, Mr. Ford had not lost a primary to Mr. Reagan, yet in the end barely won the nomination: this time, Mr. Reagan has a huge early advantage: even if he declares, Mr. Ford will be ineligible to contest any later primaries.

Some of Mr. Reagan's favourite stomping grounds are still to come—such as Texas, where he whitewashed Mr. Ford in 1976, and where Mr. Connally is no longer a factor, and his own California, where, unless the state superior court changes the rules all the delegates will be awarded to the winner of the primary.

There are some clouds on the Carter and Reagan horizons. Here in Florida, the President lost Broward County to Mr. Kennedy, and took Dade County by a modest margin. Both have substantial Jewish populations, which were clearly upset by the anti-Israeli vote in the UN.

The senator thus may pick up support next week in Illinois, which has sizeable Jewish enclaves, and the week after that in New York, where one third of all registered Democrats and a higher percentage of the politically active are Jewish.

Moreover, all the post-election polls here found that, though Mr. Carter's strength was broad, it was not deep. Turnout, for example, was low; surveys found that less than half approved of the way the President was doing his job, while, in several instances, a majority endorsed Senator Kennedy's specific policies, such as invocation of wage/price controls.

That these same voters could so overwhelmingly prefer the President in such troubled foreign and economic times is indicative of the profound national reservations about Senator Kennedy's character.

CANDIDATES	NUMBER OF DELEGATES			
Democrats	Florida*	Alabama	Georgia	Total so far
Jimmy Carter	76	42	62	267
Edward Kennedy	23	3	1	142
Republicans				
Ronald Reagan	51	18	36	167
George Bush	—	9	—	45
John Anderson	—	—	—	13
Delegates needed for nomination:	Democrats 1,666 Republicans 998			

* One Florida delegates uncommitted

Mr. Reagan's potential problems, stemming from his own ever-growing right-wing radicalism, may hurt him more in the general election than in courting votes in the narrower base of the Repulican Party. In the last few days alone, for example, he has sympathised with expatriate Cuban terrorist activities against Castro, (this won him the Cuban vote in Miami by about four to one), suggested that West Germany might pull out of NATO, and half-commended a return to the gold standard.

Sooner or later, someone will fling these statements back at him. Mr. Anderson, who, according to two local polls, has now moved into the lead in his native Illinois (which happens to be Mr Reagan's birthplace, too), will try to capitalise on his apparent ability to capture the support of middle-of-the-road Republicans, Democrats and Independents.

But, in the complex and critical game of accumulating delegates, it is hard for any candidate to write off big chunks of the country, as Mr. Anderson has done in the south and end up with the nomination.

Mr. Bush, the bright, early star of the campaign, has lost the one thing he thought he had going for him—"the big mo" (his description of momentum). All the excellent field organisation and money in the world do not seem to be able to dispel the growing suspicion that there is a soft centre to the Bush campaign in the shape of the candidate himself. Nobody would accuse Mr Ronald Reagan of softness.

Victory to front-runners

PRESIDENT Jimmy Carter and Mr. Ronald Reagan won crushing victories in three southern primaries on Tuesday and both have now opened substantial leads in the contest to secure enough convention delegates to win their respective parties' presidential nominations.

In Florida, Mr. Carter beat Senator Edward Kennedy by 61 to 23 per cent, in spite of the senator's strength among Jews in the state, who were outraged by the debacle over the recent U.S. vote against Israel in the UN. The President appears to have won 76 delegates to 23 for Mr. Kennedy and one uncommitted.

In his native Georgia, and in Alabama, the President's margin was even more decisive, 88 to 9 and 82 to 13 per cent respectively, picking up 104 delegates to just four for Mr. Kennedy.

Mr. Reagan scored three convincing wins over Mr. George Bush, his only real rival in the south. His margins of 57 to 30 per cent in Florida (with 9 per cent going to Congressman John Anderson, who did not campaign here), 73 to 13 per cent in Georgia (with another 9 per cent for Mr. Anderson), and 69 to 26 per cent in Alabama gave him a total of 105 delegates for the day to just nine for Mr. Bush.

Action on trucking deregulation

BY IAN HARGREAVES IN NEW YORK

PROSPECTS for a radical overhaul of the U.S. road haulage industry's highly restrictive pricing and operating structure have increased dramatically with the passage of a tough deregulation Bill through the Senate Commerce Committee.

In an unexpectedly convincing 13 to four vote, the committee went a long way towards backing total abolition of the industry's freedom from anti-monopoly laws in setting prices, a move which has been advocated for many years by Senator Edward Kennedy.

The Bill, if enacted, would make entry into the industry easier, lift anti-trust immunity for collaborative rate setting on lines operated by a single haulier, abolish rate regulation entirely for some food cargoes and increase the industry's flexibility in pricing.

It would thereby expose to much greater competition the 16,000 regulated motor carriers in the U.S., who, it is argued, have sheltered behind regulation to earn comfortable profits unrelated to their efficiency and charged high prices for their services.

The Carter Administration, attracted by the anti-inflationary possibilities of deregulation, has backed Senator Kennedy and expressed delight at the Senate committee decision.

Senator Howard Cannon, chairman of the committee, has said that he expects to have legislation for the President to sign by June, but that assumes that the House of Representatives will act equally speedily in committee in the next few weeks.

Deregulation has been fought hard and expensively by both the American Trucking Association and by the Teamsters union, which says that the level of service will drop if the changes are implemented.

Senator Kennedy, who stands to pick up some kudos if the various deregulation attempts succeed during this Presidency, welcomed the Senate committee decision, but said he hoped the full Senate would lift anti-trust immunity for the entire industry.

Senator Kennedy . . . backs deregulation.

Exxon predicts slower growth in energy demand

BY DAVID LASCELLES IN NEW YORK

GROWTH IN world energy demand will tail off in the last decade of the century after a slight acceleration in the 1980s as the world adjusts to the new economics of energy. The fall will be most noticeable in the advanced industrial nations, especially the U.S., according to the World Energy Outlook published yesterday by Exxon, the world's largest oil company.

It is Exxon's first major forecasting exercise for two years: last year's report was disrupted by the Iranian crisis. Exxon's prediction is based on the assumption that world economic growth to the year 2000 will be about 3½ per cent a year, and that world oil prices will rise to $28 per barrel (in 1979 dollars) by 1990.

On this basis, Exxon expects total energy demand to rise 2.6 per cent a year in the 1980s and 2.4 per cent in the 1990's. This is somewhat more than the 1.7 per cent registered in the energy crisis years of 1973-78, but well below the 5.5 per cent of the 1965-73 period.

Most of the growth in demand will come from the developing world where energy needs will expand by 5.8 per cent a year in the 1980s and 4 per cent in the 1990s.

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And the Dodge Commando G08 is backed by a full twelve months unlimited-mileage warranty. Which, by now, probably doesn't surprise you at all.

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Soviet trade with France up by 33%

By David Satter in Moscow

FRANCO-SOVIET trade reached FFr 16bn (£1.7bn) last year and there are good prospects for France emerging as the Soviet Union's second largest Western trading partner in the 1980s.

Figures released by the French Embassy showed that trade turnover, buoyed by large increases in both French exports and imports, rose 33 per cent to FFr 16.15bn in 1979 from FFr 12.18bn in 1978.

The strength of Soviet-French trade is undoubtedly an important factor in the French refusal to impose economic sanctions on the Soviet Union in response to the invasion of Afghanistan.

Last year's trade growth helped the Soviet Union and France achieve their goal of trebling trade turnover in 1975-79 (to *FFr 59bn) compared with the* previous five-year period, and the two sides have agreed to work for a similar increase between 1980 and 1985.

French officials attributed the 30 per cent rise in French exports last year to FFr 8.53bn from FFr 6.56bn in 1978 to deliveries of FFr 850m worth of oil recovery equipment from Technip.

Another important factor was an increase in deliveries of French agricultural products, mostly meat and butter, worth FFr 941m compared with only FFr 177m in 1978.

The 35 per cent increase in French imports to FFr 7.62bn from FFr 5.63bn in 1978 was attributed to increased deliveries of Soviet energy products at higher prices, and to increased imports of other raw materials, particularly cotton, wood, precious metals, nickel and copper.

France imported 6m tonnes of Soviet oil and oil products in 1979, compared with 5m tonnes in 1978 and 2.5bn cubic metres of natural gas in 1979 compared to 2bn cubic metres in 1978. France has agreed to buy 6.5m tonnes of oil and oil products and 4.5bn cubic metres of natural gas this year.

Franco-Soviet trade in 1979 gave France a surplus of FFr914m, about the same surplus as in 1978. With U.S.-Soviet trade expected to *fall sharply because of trade* sanctions applied over the invasion of Afghanistan and French companies bidding seriously for a number of major projects, France could easily move into second place among the Soviet Union's major Western trading partners, behind West Germany and ahead of, the U.S.

UK talks on £750m E. German deals

BY LESLIE COLITT IN LEIPZIG

MR. CECIL PARKINSON, the U.K. Trade Minister, told a Leipzig Fair Press conference that British companies are currently negotiating with East Germany on 14 projects worth some £750m, of which he felt a considerable number could be won by the UK concerns.

The optimism comes in the wake of an $87m contract awarded to GKN to build a forge to produce components for the East German truck industry. Although GKN would not disclose any details, the East German Press said trucks are to be exported by East Germany in return. British commercial officials noted the buy-back goods will not be sold in Western Europe but instead on African markets believed to be Nigeria, "through other parties." The dollar contract is being financed at 7.75 per cent over eight years by Morgan Grenfell.

The forge, at the centre of the East German truck industry in Ludwigsfelde, is the first of three planned forges worth some £60m in which GKN is said to be a "strong favourite" to win.

Negotiations between GKN and Industrieanlagen Import are also taking place for a foundry which would be worth approximately £80m as part of a major reconstruction of the East German truck industry.

Mr. Parkinson said he hoped GKN's contract would be an encouragement to British concerns,

He visited the Carl Zeiss Jena optical and electronics factory, which has a trading company in the UK and which is interested in joint projects with UK companies in Britain and in third markets.

● Snamprogetti, the engineering subsidiary of the ENI Italian state-owned energy agency, has won a $90m (£40.5m) contract to build in East Germany a highly advanced plant to recover lead from batteries. The deal was signed with the East German Industrie Anlagen-Import.

French may revise Tunis rail deal

By Our Foreign Staff

THE TUNIS railway contract worth £75m awarded last month to a consortium of West German and French companies led by Siemens may be revised under pressure from the French authorities who feel that a bigger share of the contract should go to French companies.

This follows the Tunisian Government's request for French arms worth an estimated $400m (£179m) following the allegedly Libyan backed raids on the Tunisian town of Gafsa in January.

In order to buy such quantities of arms the Tunisians would have to obtain very favourable French credit terms. The French authorities are therefore expected to ask why such a major contract as the Tunis city railway system should have been given to a West German-led consortium. The Siemens consortium includes three French companies—Jeumont Schneider, Socader and Spie Batignoles—but West German companies, which include MAN and DUMAG as well as Siemens, are believed to have the bigger share.

Siemens said yesterday that the agreement with Tunisia to build a major part of the railway system existed so far only in the form of a letter of intent. But the company had no reason to doubt its earlier confidence that the definitive contract will be placed with the Franco/German consortium it is leading. Final contract negotiations are still taking place.

Kloeckner in new bid for Peru contract

BY DOREEN GILLESPIE IN LIMA

KLOECKNER Industrie Anlagen is understood to have presented a new offer to Mineroperu, the State mining company, for the construction and financing of the $285m (£128m) second stage of the Cerro Verde copper project. The engineering division of Fiat is also competing for the project and signed a letter of intent with Mineroperu in December.

Kloeckner and Fiat were shortlisted for the project in March 1978 by a commission which studied five bids from international companies

The project is aimed at doubling Cerro Verde's output to 60,000 tonnes a year of "fine" copper.

Kloeckner's talks with Mineroperu collapsed in April last year but the company is reported to have continued to present offers since then. Its latest offer is apparently encouraged by the postponement by Mineroperu for the second time of a decision on the Fiat offer.

The original deadline set for February 8 in a letter of intent signed with Fiat last December and which was extended to the end of February has now been extended to the end of March. If no agreement is reached by that date both Mineroperu and Fiat would be automatically released from the letter of intent.

Kloeckner's latest proposal includes an offer by Chase Manhattan Bank group to arrange a $125m long term Eurodollar facility to cover local component costs with the balance of $160m to be covered by supplier credits. The offer is valid to the end of March.

Fiat's proposal is said to include a credit offer of around $235m including a $125m loan from the Union de Banques Arabes et Francaises and around $110m in supplier credits from Efibanca and Paribas which would finance equipment to be supplied by Fives-Cail Babcock of France. But it is understood that this original offer has since been improved.

Gatt to choose Long successor

BY BRIJ KHINDARIA IN GENEVA

THE DECISION - TAKING council of the General Agreement on Tariffs and Trade (GATT) meets here today to find a successor to Mr. Olivier Long of Switzerland, GATT's Director General, since 1968, whose term expires on May 5.

Many developing countries have accused him of running a "rich man's club" suited to the needs of the industrialised world, while the industrialised nations think that he has too often bent over backwards to please Third World members.

Four persons are in the running for Mr. Long's job. They are: Mr. Arthur Dunkel, current Swiss Ambassador to GATT, Mr. Patrick Donovan, current Australian Ambassador to the Organisation for *Economic Co-operation and Development* (OECD) in Paris, Mr. Klaus Sahlgren, a former Finnish Ambassador to GATT and current head of the UN Centre on Transnational Corporations in New York, and Mr. Hans Colliander, Swedish ambassador to the OECD in Paris.

Mr. Dunkel and Mr. Donovan are seen as the key candidates. The others have little support, and could withdraw their names. The final decision is unlikely to emerge today because the ground for compromise has still to be prepared in private bargaining among various delegations.

Turkey extends decision day for creditors

By David Tonge

ABOUT 20,000 creditors owed money by Turkey are to be given two months extra to decide whether they will accept payment in Turkish liras over two years or dollars over 10 years.

The creditors are owed up to $1.9bn on unguaranteed suppliers' credits. They had been given up to April 25 to decide which option to accept, but in London yesterday Mr. Turgut Ozal, the Under-secretary to the Turkish Prime Ministry responsible for co-ordinating the government's economic policies, said that a decree was being presented to the cabinet giving a two-month extension.

He also asked the Middle East Association to prepare proposals for improving the scheme.

Changes upset shippers

FINANCIAL TIMES REPORTER

DEEP CONCERN is being expressed by the British Shippers' Council regarding the effects of the resignation of Sea-Train Lines from the Continental Westbound Freight Conference and the granting of the right of independent action to remaining Conference members. The council says that the changes appear to place UK exporters in a less satisfactory position than their Continental competitors simply because the conference serving the UK — the North Atlantic Westbound Freight Association — has not granted the same right of independent rate making to its members.

Shipping circles indicate that rebates in excesse of $25.00 per freight ton have been granted to Continental shippers on tariff rates of $80.000 pft.

Saudis to sell oil to Bavarian company

By John Close in Jeddah

SAUDI ARABIA'S state-owned oil company, Petromin, has recently signed a long-term supply contract with the West German company, Avia, partly owned by the Bavarian state government.

Under the terms of the agreement, Avia is to receive 100,000 barrels a day for three years. Mr. Ali Rubeishi, the deputy governor of Petromin, said yesterday he was unable to provide further details of the contract.

It is understood to be the first of Saudi Arabia's guarantee oil entitlements not to be awarded on a strictly government-to-government basis. The deal is the culmination of a long and bitter rivalry between Avia and Zeba Oel, 44 per cent of which is owned by the West German government. It is understood that Avia's bid *was supported by high officials* in Petromin and in the Saudi government.

Zeba which was one of the first semi-state oil concerns to be awarded a long-term supply contract, by Petromin, hoped to extend its mandate beyond the 18,000 to 36,000 barrels a day it has been taking under its initial agreement.

Toyota considers vehicle assembly plant in Taiwan

BY RICHARD C. HANSON IN TOKYO

TOYOTA MOTOR has become the second Japanese motor company to express interest in building a car assembly plant in *Taiwan, where the Government* is encouraging a rapid expansion of production.

Nissan Motor has already talked with officials in Taiwan about the project. Toyota will send an executive to Taipei next week. The Taiwanese Government would like to build a car plant with an annual capacity of 200,000 vehicles with the help of a foreign car maker. About half of that production would be exported.

It is not clear just which markets those exports would be aimed at. There is some speculation in Tokyo that one incentive for considering such a plan is the prospect of trade eventually opening up between China and Taiwan. In that case, Taiwan would provide an excellent export base for a motor industry.

Standards used to curb imports

BY FRANK GRAY

THE DEPARTMENT of Trade accepts that product standards are sometimes used by other countries to hinder imports of British goods, but the department has found it virtually impossible to quantify the effect of such hindrances, a Parliamentary sub-committee on trade standards was told yesterday.

Mr. E. E. Williams, singled out health and safety standards, such as exhaust controls in the US., but said that it was "difficult to adduce discrimination," when one examined the safety and environmental considerations behind such regulations. He is deputy chief scientific officer in the Trade *Department's Metrology* Quality Assurance and Standards Division.

Evidence has been sought from some 400 trade associations in the UK on trade problems caused by product certification systems within the EEC, and Britain was heading an EEC working party examining the issue.

Rhys David reports on today's EDC report on wool makers

Persuading the textile trade to think Italian

BRITAIN'S Wool textile industry is to try to inspire stronger fashion and design in its European exports following recommendations from the sector's economic development committee.

The EDC, which publishes its annual report on the industry today, claims that in a study of the main Continental markets British mills were faulted for *their colour and design and for* their conservatism in marketing and in adapting to fashion changes. The report says British fabrics have hitherto enjoyed a reputation for quality and design but this has been eroded over recent years, even though the UK is still seen as a source of up-market classic fabric.

The new initiative being promoted by the Confederation of British Wool Textiles, involves a much greater degree of co-ordination in the design field. The leading companies in the industry, which has an annual turnover of £1.25bn, plan to meet each season to decide on a common UK theme which each mill could interpret in its own way but which it is hoped could provide a coherent presentation of UK fabrics at international fairs. An annual British wool fabric fair is also being considered.

The aim of the new moves is to win a bigger share of European markets for wool fabrics alongside the Italians who dominate export markets. German buyers in particular, it is noted, have become disillusioned with Italy because of poor delivery and welcome British interest in their market.

Greater penetration of Europe is seen as essential if the industry is to cope with the loss of its home market as a result of high levels of ready-made clothing imports and the growth in wool textile imports from high-and low-cost sources. Import penetration of the UK market for woollen and worsted cloths, the report says, has increased from 22 per cent in 1975 to 45 per cent by the middle of last year, with substantial growth also taking place, though from a lower base, in imports of yarns and tops (combed wool).

The industry, with overseas sales of more than £400m, claims to be the sixth biggest UK exporter. But it is finding much more difficult, the report points out. Volume is static and value moving only marginally ahead. Faced with pressures in both its home and overseas markets, employment is 50 per cent less than ten years ago.

The problems within the industry and, in particular, the growth in imports have obliged the EDC to revise its earlier objectives for the sector. Success in achieving these new targets, however, remains dependent on renegotiation of the GATT Multi-Fibre Arrangement.

Wool Textiles EDC Progress Report, available from NEDO, Millbank, London SW1P 4QX.

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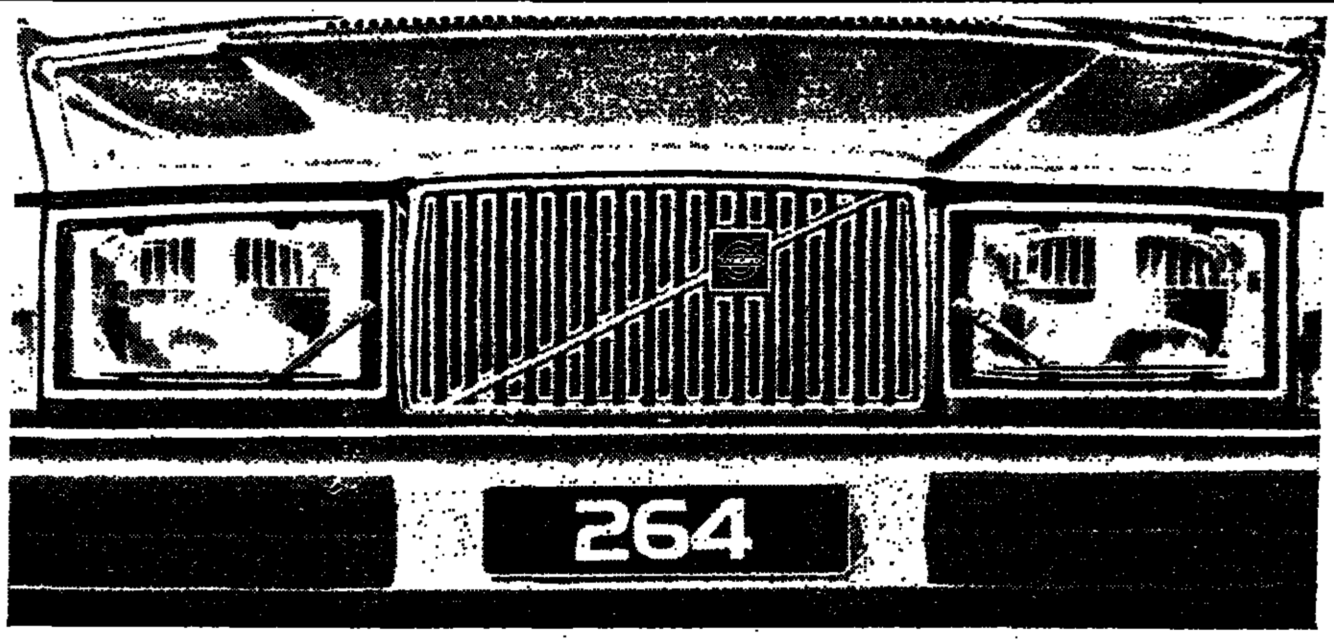
Shareholders: Saudi Arabian Monetary Agency, National Commercial Bank (Saudi Arabia), Riyad Bank, Morgan Guaranty Trust Company of New York, The Bank of Tokyo, Banque Nationale de Paris, Deutsche Bank, National Westminster Bank and Union Bank of Switzerland.



"KLM's Cargo Centre at Schiphol? I've never seen it. Why should I? It functions".

Mr. Paul Paelinck, Traffic Manager, Volvo Europa, Ghent, Belgium

"We bring components to the airport in Göteborg by 7 in the evening and they are on our assembly line in Ghent by 9 a.m. - via KLM and Schiphol.

We must have the components because to take a car out of production and bring it back later to fit a missing part.... that's a time-consuming and expensive process.

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And once we book the parts on KLM's night flight, we can just program them as being already on the line for the next morning. That's the reliable service I get from KLM.

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"The paper flow is also better administrated..."

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"I'm very satisfied with Schiphol..."

Mr. Paelinck hasn't been shipping through KLM's cargo centre at Schiphol for all of our 60 years, perhaps. But he has been trans-shipping for "years and years".... long enough to know how quickly, simply and reliably he can get his goods via KLM and Schiphol.

KLM CARGO

Comparability pay dispute is behind rate demand action

BY PHILIP BASSETT, LABOUR STAFF

RATEPAYERS MIGHT see little cause for complaint if industrial action by 560,000 *white-collar council* staff, mainly members of the National and Local Government Officers' Association, prevents this year's rate demands from arriving on time.

But as shown by last year's action by Post Office computer staff, which delayed the sending of computer-processed telephone bills, the immediate relief brought by the strike turns into painfully large payments when *the action is over.*

NALGO, normally a shining example of moderation, has learnt the lesson of last year's Post Office and Civil Service disputes by concentrating the force of the action on the near-*invisible* but vulnerable area of computers, where a few staff can stop work to great effect.

The union has also learnt from its own last major dispute, involving at most 3,000 social workers, which ended last year *in disarray that was something* like defeat. The union lost about £2½m during the strike and was forced to cut heavily its strike pay for future disputes.

Though the present industrial action seems to have come out of the blue, there have *been signs of it for some time.* It centres on a dispute over comparability payments outstanding from a pay deal due to run from July 1 last year.

The settlement, in reply to a 15 per cent claim, gave an increase from July 1 of 9.4 per cent plus 0.18 per cent from *consolidating a supplementary* payment of £312. It also set up a joint comparability study with other white-collar workers to deal with the rest of the claim.

The unions and the employers agreed not to follow the trend then general among public service groups of referring the claim to the Clegg comparability commission, since the commission would not have been able to report until later this year.

Despite the present difficulties, the unions may ultimately be relieved they did not go to Clegg. Only the day before the unions announced industrial action, officials from NALGO and other unions were sitting in the same room in the NALGO offices *railing helplessly against* what they saw to be an inadequate but binding Clegg award for 37,000 supplementary professional medical staff.

Instead, aiming to start the payments from January 1 this year, both sides agreed to draw up an in-house comparability *study. A mass of information* was collected in four separate studies; both sides agreed there were inconsistencies in the information, and the present dispute is over differing interpretations of the results.

The unions boiled the studies down to a rough claim of 10-22 per cent, which would add 14 per cent, or £323m, to pay bill costs for the group. The employers replied with a 6-12 per cent offer, which would add 8 *per cent, or £185m,* to the pay bill, which presently stands at £2,313m.

The offer would take those on the bottom of a 51-point scale from £1,992 to £2,112; the claim is to take the rate to £2,192. The highest rate under the offer would be increased *from £9,534 to £10,678;* the claim is £11,631.

The employers argue that the financial restrictions imposed by the Government cannot be ignored and that any further increase will have to be funded by staff cuts.

The unions, meanwhile, are readying themselves to draw up this year's annual pay claim as well, to run from July 1. Its level will obviously be heavily influenced by the success of the present action.

NALGO is not a union easily moved to industrial action. It drew back from action last year with this group because it was unsure of support; both its readiness to go now and the halting of rate issues already being reported by council after council seem this time to indicate its determination.

NALGO ban may mean higher bills next year

BY ROBIN PAULEY

RATEPAYERS, already facing large increases in their rate bills, are likely to face supple*mentary rate demands* later in the year if the ban on the issue of rate demands continues for more than a few weeks.

If it continued for six months, ratepayers could face a bill for an extra 9 per cent of the 1980-81 rate figure.

The National and Local *Government Officers'* Association has responded to the 6-12 per cent comparability pay offer with an instruction to the 560,000 white collar staff to black all work relating to the issue of rate demands.

This will have an immediate effect on computer personnel who should now be working on the programming details for the computerised rate demands sent out in March and April.

Traditionally only 5 per cent of rate income *trickles* in during April and 5 per cent in May, before picking up in June. Treasurers calculate from previous experience what proportion can be expected when, and take out short-term loans to cover the expected shortfall for given periods.

The *NALGO action* will throw these delicate calculations out immediately and because many authorities have already drawn on balances to a greater than desirable effect, they are likely to have to turn to the money markets for extra short term loans as soon as two weeks after the start of the blacking.

With short term interest rates at between 17 and 18 per cent, considerable extra debt servicing charges will face some authorities. As local authorities are not allowed to go into debt in this way and recoup the money in a knock-on action on next year's rates, a supplementary rate demand may be the only solution. Such a demand would also include an amount to pay for the eventual settlement with the union.

After central government grants, rates are the most important source of income for local authorities, providing *about £7.5bn in England and* Wales in 1980-81.

Rates contribute significantly to the source of funds for salaries, a factor which will drive treasurers to the money markets quickly, because there is no possibility of withholding wages. Some contractors, how*ever, may find* they are *not* paid as promptly as usual for maintenance work for local councils.

Most local authorities collect their rates once a year and they will feel the effects of the NALGO action hardest. All authorities must allow people to pay their rates in ten instalments and money from those paying their instalments by direct debit will go on to the council's bank account.

Those authorities which still send out two rate demands a year—in April and October—will be less hard hit, as the potential loss of income relates to only half the annual total.

Holiday charter flights would be hit by stoppage

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

ANY STOPPAGE by air traffic controllers at local authority-owned airfields over Easter is not expected seriously to interfere with UK air traffic, atlhough it could be severe for some holiday passengers at a few airports such as Luton.

Most UK airports, and *all* the major ones, come under the Civil Aviation Authority for traffic control.

The *controllers* at those airports are part of the CAA's National Air Traffic Control Services department, through whom pay scales are negotiated, so that the National Association of Local Government Officers is not involved.

The airports where NALGO members are employed are Luton, Norwich, Newcastle, Teesside, Bristol, Leeds-Bradford, Coventry, East Midlands, *Blackpool and Swansea.* They have between 150 and 200 air traffic controllers, and they handle about 5m passengers a year.

But they are *all used* extensively by holiday charter flights, so that any Easter stoppage by controllers at those airports *could upset the* holiday plans of many thousands of travellers.

Scheduled service passengers intending to fly from those air*ports can* transfer to services from other airports, but the holiday charter flights cannot transfer, because they are required by the terms of their licences to use specific airports.

The number of holiday flights using those airports over Easter is not known, but it could be several hundreds, involving perhaps as many as 200,000 passengers.

Luton airport is used by most of the major UK *holiday* tour operators, including British Airtours, Britannia Airways, Air Europe, Dan-Air, Laker and *Monarch* Airways. It is also used extensively for business aviation, as the home base for McAlpine Aviation and other operators.

French ban £20 Channel flights

By Michael Donne, Aerospace Correspondent

THE FRENCH Government *has refused British Airways* permission to introduce a £20 single Channel-hopper fare between London and Paris, from April 1.

The fare was intended to be part of a package of cheap fares to include a £55 single Club Class rate, or £110 return, and a £42.50 single or £85 return Eurobudget fare. The present Economy Class return fare is £94.

The other fares have been approved by the French because they are also offered by Air France, as part of a joint experiment to introduce the new Club Class on the London-Paris route, replacing First Class, which is to be abolished.

But Air France has been luke-warm towards the Channel-hopper rate. It is probably for this reason that France has denied British Airways the right to offer it.

Another reason is that British Airways planned to sell only 70,000 Channel-hopper tickets a year. The French Government and Air France regarded it as a "loss leader," not a genuine regular cheap fare.

British Airways said yesterday it was disappointed by the decision, but its Club Class plans would go ahead.

Commercial vehicle sales rise—importers benefit

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

SALES OF commercial vehicles increased in February. But importers benefited more than the UK manufacturers.

According to the Society of Motor Manufacturers and Traders' statistics published yesterday, registrations of new commercials in February were 25,371 — 2,870 or 12.75 per cent higher than in the same month last year.

The importers' share of the market moved up 23.62 per cent from 18.99 per cent in February, 1979.

New registrations for the first two months of the year, at 49,461, were 11.41 per cent more than for the same period in 1979. Importers accounted for 23.69 per cent of the market this year against 20.19 per cent in 1979.

Within the overall totals, however, the pattern was patchy.

Sales of car-derived vans — the smallest commercials and those likely to react more quickly to pressures on corporate liquidity — fell 8.35 per cent in the period, from 16,105 to 14,759.

Compared with this there was a 33.35 per cent jump in registrations of vans under 3.5 tons gross weight. They rose from *15,434 to 20,582.*

The main factor was the big gains made by importers of Japanese vans.

Over the two months van sales by Datsun advanced from 435 in 1979 to 720 this year; Honda's went from 296 to 574; *Mazda's* from 179 to 273, Mitsubishi's Colt from 14 to 87 and Toyota's from 276 to 696.

The Japanese sales probably reflected the shortage of car stocks at the beginning of the year, leaving dealers to put more effort behind commercial vehicle sales.

New registrations of heavy commercials—above 3.5 tons—were 10.3 per cent ahead in the first two months of *1980* compared with the same period last year.

Among the UK-based manu*facturers Bedford, the General* Motors' subsidiary, is still feeling the impact of the 11-week strike last autumn. Registrations fell from 2,416 to 1,612 in the heavy section over the two months.

There was some compensation by Ford which, in the early part of last year, was also suffering from the after-effects of its 1978 strike. As a result registrations of Ford heavies rose from 1,543 to 2,756.

Leyland marked time in front of the launch this month of the first trucks in the T45 range and sales were 2,031 against 2,127.

Dodge, the PSA Peugeot-Citroen subsidiary, advanced *from 1,028 to 1,207* during the same period.

Decision delayed on £25m extra funds for Inmos

BY JOHN LLOYD AND ELINOR GOODMAN

THE GOVERNMENT has again *delayed a decision* on approving a further £25m injection of capital to Inmos, the semi-conductor company backed by the National Enterprise *Board.* The money is needed to allow Inmos to start construction of its first factory in the UK.

An adjournment debate in the House of Commons today will hear a holding statement from Mr. David Mitchell, Parliamentary Under-Secretary at the Department of Industry. It had been hoped that a decision, which has been pending for three months, would be announced this week.

It is understood that Treasury ministers are concerned with the level of funding for the project, and have expressed doubts that the further £25m—which would bring the total committed to Inmos to £50m—would satisfy the company's future capital needs.

At the same time employment ministers are thought to be concerned about the proposed siting in Bristol of the first plant, employing around 1,000 people. *They would prefer it to go to a* region of high unemployment.

Mr. Iann Barron, Inmos' managing director, has said future investment in the company would be funded from profits, or from the private market. He has also said the company is losing £300,000 a day in lost sales because of the delay.

It has been clear for some time that Sir Keith Joseph, the Industry Secretary, has supported the project.

Bonington painting fetches record £65,000

SALEROOM

BY ANTONY THORNCROFT

AT A SOTHEBY'S sale of British paintings yesterday, "A view of Lerici," in Italy, by Richard Bonington sold for £65,000, plus the 11.5 per cent buyers premium and VAT. It was an auction record for a work by Bonington—the previous best was the £28,350 paid in *1971 — and the buyer was the* New York dealer Feigen.

The sale totalled £441,960 with just 6 per cent bought in. Other high prices were the £27,000 for Charles Lamb as a boy, painted in 1822 by John Ferneley, Snr., and the £24,000 for the portrait *of the Hon. Francis North* by George Romney.

Two other auction artist records were the £10,500 for "Two Anglers on a Rock Fishing" by *George Barrett* and £9,200 *for a portrait of* Miss Julia Keasberry by Thomas Beach.

The National Portrait Gallery, bidding through Leggatt, bought a portrait of Robert Rich, second Earl of Warwick, for £3,600 and the Department of *the Environment paid £2,800* for "The Death of Nelson" by Samuel Drummond.

At a Christie's jewels sale, an antique diamond necklace with *41 diamond and 10 paste collets* sold for £23,000 to Spinks in an auction which totalled £193,177. A pair of diamond ear-clips by Cartier went to Silver, the London dealer, for £13,000 and the same sum secured a single stone diamond ring.

A Glendining coin sale brought in £130,505. A 100 franc gold coin of 1925 made £5,200 and a William III two guineas of 1701 fetched £4,400.

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Or telephone 01-828 3400.

NRDC

Finance for innovation

Engineers oppose watchdog proposal

By Hazel Duffy,
Industrial Correspondent

THE Institution of Mechanical Engineers has told the Government to consider setting up an Engineering Authority responsible to the profession, rather than to the Government as proposed in the Finniston Report.

In this first response by a major engineering institution to the Finniston proposals, the IMechE says it is "unthinkable" that a major profession should be placed in a position where it is no longer self-regulating.

Instead, it proposes that most members of the authority, which it says should be called the British Engineering Council, should come from the institutions. It should not be funded by the Government, and should answer only to the Privy Council, not to Parliament.

Mr. Gordon Dawson, president of the IMechE, described the Finniston report yesterday as "unbalanced and naive" in some respects. It ignored many of the "very good developments that are taking place in the institutions and profession towards higher standards."

The Department is consulting the institutions, educational authorities and industry for their views on Finniston, and hopes to make a decision by *early summer.*

The IMechE says its views have the broad support of the other major institutions, with which it is holding discussions. It aims to submit a document to the Department of Industry by the middle of next month to which they will all have agreed.

Technicality likely to block appeal to save two-tier whisky pricing

Distillers faces defeat

BY A. H. HERMANN, LEGAL CORRESPONDENT

THE DISTILLERS' company seems likely to lose on a technicality its dispute with the EEC Commission about the differential pricing of whisky.

The European Courts' Advocate General, Mr. Jean-Pierre Warner, recomended yesterday that Distillers' appeal against the Commission should be dismissed.

A Commission ruling on December 30 prohibited the company from protecting a higher price level for Continental whisky sales. Distillers was seeking to have this ruling reversed.

The European Court does not, however, always follow the opinion of the Advocate General.

Despite his recommendation that the appeal should be dismissed on a technicality, Mr. Warner's opinion did *largely vindicate the case put* forward by Distillers.

The company's price protection was achieved originally by an export prohibition to UK dealers buying whisky from Distillers at the lower UK price, and later by introducing a differential price system.

Under this system, UK dealers were charged a lower price if they bought whisky for the domestic market and a higher price if they wished to export the whisky to other EEC countries.

But some dealers, particularly *the Bulloch Group of* Companies of Glasgow, exported the whisky bought at the lower domestic price, and complained to the EEC Commission when Distillers asked them to pay the difference and refused to continue to supply them at the lower price.

The Commission rejected *Distillers' application for an* approval of their distribution system under Article 85/3 of the Treaty. It objected that the system protected continental distributors of Scotch against competition by the cheaper "parallel" exports from the UK, and in this way, partitioned the Common Market.

Distillers argued in their appeal that their distributors in markets where whisky competed with local traditional drinks bore promotional expenses amounting to about £5 per case.

The *differential pricing* system was designed to protect them against unfair competition by UK dealers, who would otherwise benefit from the promotional scheme without contributing to its cost.

Mr. Warner concluded that the Commission's decision committed a grave procedural fault in refusing to communicate to Distillers the full text of Bulloch's complaint, showing them only a heavily-censored version.

He held that the Commission did not substantiate before the court why Distillers should not be granted an exemption under Article 85/3 of the EEC Treaty, and only dealt with two of the four possible reasons which might justify such exemption.

However, he accepted the validity of the Commission's argument that the notification by which Distillers asked for an exemption was incomplete *as it made no reference to price* terms, and that this precluded the granting of an exemption.

He recommended that the appeal should be dismissed, and that Distillers should be ordered to pay the legal costs of the Commission and A. Bulloch and Co., who intervened in the appeal.

Chemical industry investment likely to fall

BY SUE CAMERON, CHEMICALS CORRESPONDENT

THE CHEMICAL Industries Association survey of investment intentions by its member-companies to be published today is expected to show a sharp drop in capital spending in real terms.

The survey is believed to show that the sum invested by UK chemical companies last year was marginally lower than the amount spent in 1978 in money terms and substantially lower in real terms.

It is thought the survey projects a further cut in real terms of chemical industry investment this year, with the downward trend in spending continuing until 1982 at least.

But the survey is also expected to show chemical companies were still the biggest investors to British industry last year. In 1978 the industry spent £1.097bn — about 20 per cent of all UK manufacturing investment.

The investment survey carried out by the Chemical Industries Association last year projected a slight decrease in chemical industry spending by about 1981. But today's survey is likely to show that the downturn has come much more quickly.

During the last year UK chemical companies have been hard hit by the strength of sterling and the dramatic increase in the cost of raw materials, notably the oil-based naphtha that is vital for petrochemicals production.

These two factors are curbing company profits and this is expected to inhibit fixed capital spending.

The threat of cheap chemical imports from the U.S.—based on comparatively low, Government-controlled energy prices in America—may also be acting as deterrent to new investment.

Some major UK chemical companies believe that U.S. producers will continue to enjoy low oil and gas prices for the greater part of the coming decade — despite President Carter's current plans to decontrol energy prices by 1985. They say this will mean there is a continuing danger of cut-price imports from the U.S. disrupting British markets.

The poor performance of the UK construction industry may also be dissuading chemical companies from investing in Britain. A further factor could be the much-heralded recession, which would lead to a drop in demand for chemical products.

Today's survey is expected to project a substantial rise in chemical industry investment in cash terms.

The Chemical Industries' Association publishes an investment survey every year. The survey is based on the declared investment intentions of the association's member companies and is not a forecast as such. It covers spending projects only in the UK.

Nature reserves 'threatened'

BRITAIN'S nature reserves face an uncertain future, the Nature Conservancy Council warns in its annual report published today.

Agreements and leases affecting 44 of the 164 reserves will expire this year and renegotiation will have to take account of substantially increased land values.

Sanctions papers stay with Shell, BP

By Raymond Hughes,
Law Courts Correspondent

SHELL AND BP have successfully resisted a second attempt byLonrho to compel them to disclose documents prepared for the Bingham inquiry into Rhodesian sanctions busting.

The Court of Appeal yesterday upheld a claim that the documents are covered by Crown privilege and cannot be made public.

A claim of Crown privilege is made when the Government considers disclosure would not *be in the public interest.*

Lonrho said the documents were crucial to its £100m damages claim against Shell, BP and 27 other oil companies over alleged sanctions busting.

It will challenge yesterday's decision in the House of Lords next month, at the same time *as it appeals against an earlier* ruling that Shell and BP cannot be compelled to disclose documents belonging to their Rhodesian and South African subsidiaries.

The Crown Privelege claim was upheld last week by the High Court.

Assurance

Dismissing the appeal with costs the Master of the Rolls, Lord Denning, said Shell and BP had been assured that their evidence to the Bingham inquiry would be confidential.

Relying on that assurance the two companies had co-operated fully with the inquiry, providing information which would not otherwise have been available.

For the sake of future similar inquiries set up by the Government it was of the highest public interest that confidentiality should be maintained and not broken into by any specious argument, said Lord Denning.

He rejected Lonrho's contention that the oil companies had waived confidentiality by consenting to publication of the Bingham Report, which included extracts from their evidence.

Shell and BP had been asked by the Government to agree to publication of the report, he said. They had done so, but expressly limited their consent to the actual report, excluding the documents and transcripts of evidence on which it was based.

"It seems to me that this was a very wise and sensible limitation on their consent," said Lord Denning. "The very thing they feared all along was that, unless it was confidential, Lonrho might try to get hold of more of this material. There is no reason why they should not withhold their consent to publication of any further matters."

Lonrho's claim against Shell and BP is due to go to arbitration in June. Its court action against the other 27 oil companies is awaiting the outcome of the arbitration.

Tax changes urged for financial sector

By Eric Short

AN URGENT call for the Government to extend to the financial sector the application of stock relief in assessing company taxation is made by the British Insurance Association in its budget submission to Sir Geoffrey Howe, the Chancellor.

The BIA said that by permitting stock relief, industrial and commercial companies were able to meet the cost of maintaining their business in an inflationary era. Insurance and other financial companies had similar problems in preserving the real level of business, but no equivaent tax relief was available.

The Chancellor was also urged by the association to consider changes in the imputation system and to recognise the overseas earnings of UK insurance companies. The present system imposes a tax charge on companies which derive a substantial part of their income from abroad. But companies earning most of their income in the UK are charged normal corporation tax.

The BIA also suggested other tax changes, including the removal of the National Insurance Surcharge. It felt this tax both deterred employers increasing their staff and was an additional constraint on UK exports.

ICI plans £20m resin factory

HUMPHREYS and Glasgow will build ICI's proposed new £20m resin plant near the Stowmarket, Suffolk, paint factory site.

Subject to planning permission, work will start next month and finish in Spring 1982. About 30 jobs will be created in the factory, which will produce paint resin for local and overseas markets.

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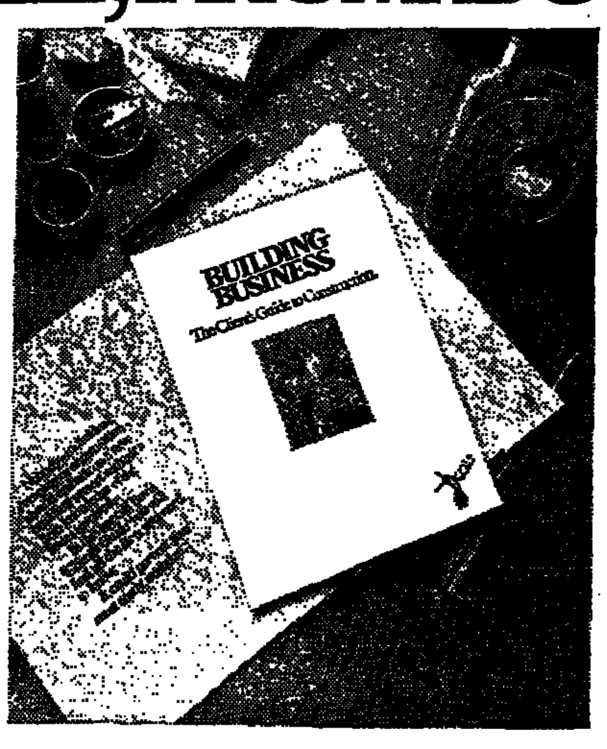

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Honda confident Bounty will survive 'BL crisis'

BY JOHN ELLIOTT IN TOKYO

HONDA IS confident that UK production of its new saloon motor car known as Bounty, which is due to start at BL's Cowley plants in the middle of next year, will survive any crisis that the British company may face in the next couple of years.

Maximum output of the Bounty is planned to be about 80,000 compared with 200,000 for the Metro.

Following the signing of the licence agreement between the two companies at the end of December, BL executives are working with Honda, which plans to send 30 or 40 Japanese managers and engineers to Oxford later this year to help launch the car.

Although no details of the agreement are available, it is understood that there are arrangements, which would necessarily have been approved by the British Government, to provide a measure of protection for Honda's position should a crisis at BL put the future of the car's European sales in danger.

BL holds the right to sell the new car not only in the UK but also in other EEC countries.

Mr. Noboru Okamura, Honda's senior managing director, said yesterday at Honda's Saitoma factory outside Tokyo that his company would carefully monitor BL's performance in Europe. He indicated that he would want to review the arrangement if BL was not successful with foreign sales.

He would not be drawn on the details of what would happen should BL hit new crises in the next couple of years, but indicated that he was happy with indemnity and other arrangements that had been settled.

This could mean that Honda might reconsider continuing producing the Bounty in the UK should BL's problems put its future at risk.

Quality

In London BL said the indemnities were the normal commercial arrangements contained in any contract. Clearly, there have been discussions about what would happen if BL were forced to pull out of Cowley, and it is widely assumed that an offer from Honda to purchase part of the factory could be one option.

Honda will also keep a close watch on the quality of the cars made at Cowley, although Mr. Okamura stressed that his company was not responsible for the cars produced by BL. He gave the impression that Honda was specially concerned about the quality that could be achieved in the UK. "Both companies have agreed that quality is the most important thing," he declared.

Talks are now taking place between the two companies on the pricing of the car and on various production arrangements. Honda is providing BL with jigs and tools, but BL will use its own production-line equipment for welding and other work.

Mr. Okamura emphasised that decisions on manning, labour relations, and production management were the responsibility of BL and not Honda. This meant that Cowley would not come under pressure to adopt Japanese-style personnel practices such as suggestion schemes and company slogans like "proceed always with ambition and youthfulness" and "strive constantly for a harmonious flow of work."

There is no plan for Honda to have Japanese executives stationed permanently in the UK. The 30 or 40 who will arrive later this year to help set up the production line are expected to return to Japan after a few months.

BR banks on making steam pay

Financial Times Reporter

BRITISH RAIL hopes to make a profit of up to £500,000 by returning to the age of steam.

It plans to spend nearly £1m on the Liverpool to Manchester line this month to stage a second Rainhill Trials, with copies of three original locomotives.

Stevenson's Rocket, the Novelty, and the Sans Pareil will ride again near Liverpool, on March 24 to 26, to re-enact the 1829 trials.

British Rail expects to attract 1.5m people to the event, to mark its 150th anniversary.

Although tickets for the mile-long grandstand will cost from £10 to £6, advance bookings have already reached £500,000.

Sir Peter Parker, British Rail chairman, says the celebrations, which will continue throughout the year, will "set the cash tills ringing merrily."

The £1m investment in old fashioned machines has taken some nerve, but: "We take risks at British Rail. That is how it is and how it will always be."

Visitors to Rainhill will see more than 30 steam locomotives. On September 14, a train of historic locomotives will run from Liverpool to Manchester, to mark the opening of the line in 1830.

News Analysis ● David Churchill looks at the fast-food boom

Drive-away potatoes

THE BRITISH School of Motoring yesterday became the latest UK company to enter the rapidly growing "fast food" industry, which is estimated to have annual sales, together with take-away goods, of more than £400m a year.

BSM, which is the world's largest driving school, has linked up with a small Edinburgh-based fast-food chain which sells baked potatoes with various fillings, ranging from cheese to coleslaw and shrimps.

BSM plans to develop a chain of fast-food outlets, trading under the name "Spud-U-Like." Some will be owned by the company and some operated as franchised outlets.

The first outlet outside Scotland is expected to be opened in London before the end of the year. More will follow in 1981. A typical franchise holder will need up to £25,000 capital to invest in the business, while BSM itself plans to spend about £750,000 on building up its own outlets.

BSM's decision to enter the fiercely-competitive fast-food industry came as a surprise to the trade because BSM has no previous experience in catering. But Mr. David Acheson, BSM's managing director, said yesterday that the company had considerable expertise in retailing a service — driving lessons — which it believed could be transferred to fast-food retailing.

Mr. Acheson also has several years experience with both the Wimpy and Kentucky Fried Chicken fast-food chains, as well as being a former chairman of the British Franchise Association.

BSM's move into fast-food has been preceded by a host of other UK and U.S. companies eager to take advantage of the potential growth in the market over the next decade.

Major UK companies which have interests in fast-food include the Bejam freezer centre chain, Grand Metropolitan Hotels, United Biscuits, and the Tesco and Asda grocery chains. There are also several fast-food chains in the UK which originated in the U.S., such as Kentucky Fried Chicken, McDonalds, and Wendy's.

According to the Mintel market research company, the total UK market is worth some £400m a year, although it is acknowledged that the rapid growth of the sector has made it difficult to quantify.

It is estimated that there are about 10,000 traditional fish and chip shops—which account for about half the £400m turnover—with 3,000 Chinese, 2,000 Indian or Pakistani, 1,000 chicken, and 1,400 hamburger and other outlets.

The total market size has been growing by about 12 per cent per year by value over the past three years—with most of this growth accounted for by the development of the newer hamburger fast-food outlets, such as McDonald's or Burger King.

The accelerating growth of fast-food outlets in the UK—which closely follows the pattern already established in the U.S.—is due to a combination of several factors.

The increasing standard of living—in spite of economic recessions—has made more people want to eat out. But at the same time, rising restaurant prices have meant that the relatively low-priced fast-food outlets have gained in popularity.

As market demand for fast-foods has risen, so many companies have been attracted into the area as a means of diversification into a growth market. The problem, however, is that rapid expansion to meet the fast-growing market has needed substantial capital investment. At the same time, rapid development of a chain of fast-food outlets has exposed the problem of finding good management.

The solution adopted in most cases is to encourage expansion through franchising. The franchise bidder puts up most of the initial capital investment for a fast-food outlet—in the case of a Kentucky Fried Chicken store this can be around £30,000—and at the same time is motivated to work long hours by the fact that it is his own business.

Profits from a good site with a hard-working owner can be as high as 40 per cent of turnover before tax.

There seems little doubt that the fast-food market will continue to grow in the 1980s—but possibly not as fast as in the late 1970s. As the market becomes increasingly crowded, there is a danger of supply exceeding demand.

With high interest rates on money borrowed to finance premises and equipment, many fast-food operations could be quickly forced out of business.

Gallagher puts up tobacco prices

GALLAGHER has followed Imperial Group and Carreras Rothmans in announcing tobacco price rises.

From today, recommended retail prices of most Gallagher brands will go up by 2p for 20, making Benson and Hedges Special Filter 69p and Silk Cut King Size 68p. Cigars will go up by 2p for five and pipe tobacco by 2½p for 25 grams.

Making professional use of investment property

THE REVIVAL of British industrial and business performance through a more professional approach to investment in buildings is the subject of a two-day conference later this month, organised by the Financial Times.

Business Premises and Profitability, to be chaired in London by Sir John Greenborough, president of the Confederation of British Industry, and Sir Maurice Laing, president of the Federation of Civil Engineering Contractors, will examine the importance of better buildings for industry. The conference will be at the Hilton Hotel on March 24 and 25.

A recent National Economic Development Office report disclosed substantial potential for companies to increase productivity and profits through the more efficient use of business premises. The unsuitability of outdated factory design and layout for efficient production and distribution was often shown to be the major constraint on profit growth and a hindrance to good industrial relations.

In many cases companies which had invested in better buildings had realised productivity and profit gains well above expectations.

Hauliers plan anti-crime week

THE Road Haulage Association's week long Hands Off Our Freight campaign against crime will be opened on April 21 by Essex chief constable, says Mr. R. S. Bunyard, RHA security committee chairman, Mr. Jack Brown, said.

The campaign is part of the security committee's 21st anniversary celebrations. There will also be a special meeting on security for hauliers at the International Fire, Security and Safety Exhibition and Conference at Olympia in April.

APPOINTMENTS

Ash & Lacy group managing director

Mr. David S. L. Fletcher has been appointed group-managing director, and Mr. James E. Philpotts, deputy group managing director, of ASH AND LACY, following the recent appointment of Mr. Fane Vernon as executive chairman of British Dredging Company.

★

Following the acquisition by Humphries Holdings (BET Group) of a majority shareholding in IVS (UK) from International Video Systems, a new Board has been formed for IVS (UK) with Mr. Colin Wills as chairman. Other members of the reconstructed Board are Mr. John Jeffrey, managing director of Humphries Film Laboratories, Mr. Rex Ebbetts, chairman and managing director of Filmatic Laboratories, with Mr. Peter Funk and Mr. John Offord, who continue as directors. Mr. Alastair Bowes is general manager of IVS (UK). Mr. Chris Purkiss, marketing manager, Mr. Peter Horton, operations manager, and Mr. Peter Chalmers, technical manager.

★

Mr. Francis Perkins is to retire as chairman of the BRITISH INSURANCE BROKERS' ASSOCIATION in the early Autumn and he will be succeeded by Mr. Ian Findlay in a non-executive capacity. Mr. Findlay is a former chairman of Price Forbes Holdings and of Sedgwick Forbes Holdings—and was chairman of Lloyd's in 1978 and 1979. The executive position of Mr. Perkins at BIBA will be taken up by the appointment in June of Mr. Michael Morris as director-general. Mr. Morris, now under secretary of the shipping policy division, Department of Trade, was under secretary of the insurance division from 1973-1978. Mr. Alan Teale will become director of technical services and overseas affairs.

★

Following the recent acquisition by the Rank Organisation of R. E. INGHAM AND CO., Mr. R. D. Perkins, previously sales director, has been appointed director and general manager of Ingham.

★

Mr. Charles Wodehouse has been appointed assistant executive director and head of marketing division, of ABBEY LIFE ASSURANCE COMPANY from April 1.

★

Mr. John H. Critch, previously managing director of Heenan Drives, has been appointed to the new position of director of special projects, reporting to Mr. V. John Osola, group chief executive of REDMAN HEENAN INTERNATIONAL. Mr. Critch has also been made a director of Redman Heenan Limited, the RHI group advisory services subsidiary. Mr. Laurence G. Cox has joined the RHI group to become managing director of Heenan Drives. He has been with the Stanley Works, of the U.S., for the past 15 years.

★

Mr. Peter Sample has joined the TECALEMIT GROUP as managing director of its electronics activity. He was previously with RACAL-MESL.

★

Mr. J. W. English has become a director of CAPPER PIPE SERVICE, a member of the Capper Neill Group. He has been succeeded as managing director of Capper Pipe Service (Western) by Mr. J. Parker. Mr. G. H. Witham, a director of Capper Pipe Service, has additionally been appointed managing director of Capper Pipe Service (Northern Ireland) and Capper Pipe Service (Ireland). Mr. J. J. Laithwaite has been made a director of Capper Pipe Service (Northern) and Capper Pipe Service (Scotland). Mr. R. J. Y. Hughes becomes sales director responsible for the whole division's sales.

★

Mr. John Willcock has been appointed a director of MANOR NATIONAL GROUP MOTORS.

★

Sir Jack Lyons has resigned as a director of UDS GROUP with effect from the company's next annual meeting. Sir Jack wishes to devote more of his time to his other commercial interests and to his public service activities. Sir Jack does not intend to dispose of his UDS stockholding.

★

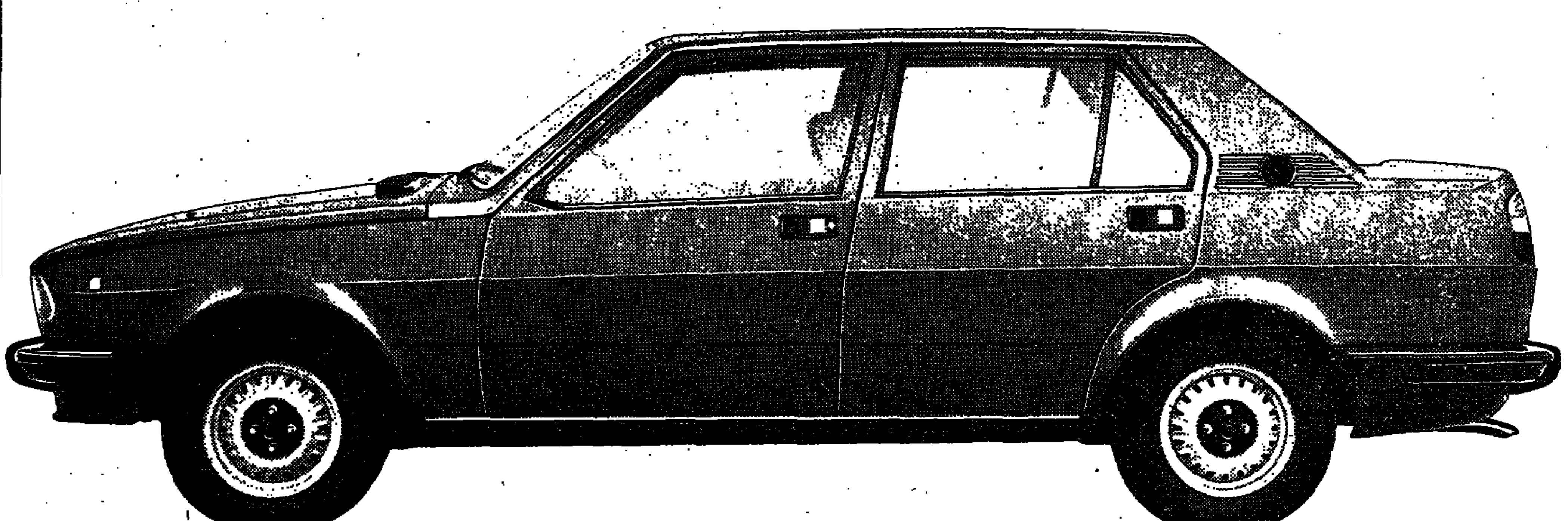
TENNECO INC., of Houston Texas, has established a European Advisory Council consisting of 12 members. Representing the company are Mr. James Ketelsen, Mr. John Diesel and Mr. Ralph W. Cousins, who will be chairman of the Council. European members art Mr. Pierre Bataille, Mr. Pehr Gyllenhammar, Sir Barrie Heath, Mr. Walther Kniep, Mr. Max Kreifels, Mr. David Livingstone, Mr. Roger Martin, Mr. Michael Shanks and Professor Dr. Joachim Zahn.

★

Mr. D. W. Kendrick, general manager responsible for the overseas division of Lloyds Bank, has been appointed a director of GRINDLAYS BANK and GRINDLAYS HOLDINGS following the death of Mr. E. O. L. Vaughan.

★

MARDON PACKAGING INTERNATIONAL states that Mr. Clive Hutton has been appointed managing director of Cundell Plastics succeeding Mr. Ray Lewis, who has left the group for other business interests. Mr. Don Gordon-Giles has joined the Board of Mardon Composites.



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UK NEWS—PARLIAMENT and POLITICS

Healey calls for tax on profits

MR. DENIS HEALEY, the Shadow Chancellor, yesterday urged the Government to tax bank, oil and gas profits rather than embark on a further "disastrous" squeeze of cash limits.

At a special meeting of the Parliamentary Labour Party to discuss the Budget, Mr. Healey agreed that Labour should resist strongly any move by the Government not to increase personal tax allowances in line with inflation and provided for in the Rooker-Wise amendment to his 1977 Finance Act.

Some Labour MPs at the meeting called for increased import controls. Mr. Healey argued that this was not a simple matter. He also repeated his views that some kind of incomes policy was essential to solving Britain's economic problems.

Mr. Healey said pay increases would have to be brought more directly into line with productivity deals.

Havers criticised for ducking picketing issue

BY ELINOR GOODMAN, LOBBY STAFF

THE ATTORNEY General was accused yesterday of ducking sensitive issues by refusing to be cross-examined by the Select Committee on Employment on the workings of the Employment Bill.

His decision was criticised by Conservatives as well as Labour members of the Committee who claimed that it left a question mark over whether key sections of the Bill dealing with picketing could be enforced.

Mr. John Golding, the Labour Chairman of the Committee and himself a former junior Employment Minister, said he was "bitterly disappointed" by Sir Michael Havers' decision and that he could only assume it was because the Government was unable to answer the three points which the Committee had said they wanted to ask him, in the light of last month's evidence from Sir David McNee, the Commissioner of Police.

Mr. John Gorst, Conservative Vice-Chairman of the Committee, echoed Mr. Golding's disappointment. "The Government, he said, was in danger of enacting laws which were "unenforceable and unintelligible."

Last month Sir David told the Committee that the police could not be expected to ask a picket for his name and address so as to enable an employer to serve an injunction against him. One alternative suggested was that cameras might be used to identify pickets but Mr. Golding argued yesterday that there would be nothing to stop all the pickets turning up in masks—preferably of Mrs. Thatcher or Jim Prior—and this would make it impossible to enforce the civil law.

The Committtee wrote to the Attorney General asking him three specific points, the last of which specifically related to the procedure enabling an employer to identify the person against whom he wanted to take an injunction.

Sir Michael Havers wrote back saying that his duties as Attorney General did not require him to submit to a wide ranging cross examination by Select Committee. If he was required to give advice, the standing committee on the Employment Bill would be the proper place to give it.

Mr. Golding agreed yesterday that Sir Michael had the right to refuse to attend, but he said that he personally interpreted his refusal as an indication of the Government's inability to answer the points raised by the Committee.

The Attorney General's rejection of the Committee's invitation was one of two brushes the Committee had with Ministers yesterday as it tried to flex its muscles as one of the new departmental select committees.

At its session Labour members accused the Earl of Gowrie the Minister of State for Employment, of failing to do his homework properly before addressing the Committee. Questioned about the difference between the budget authorised for next year for the Manpower Services Commission and the amount the Commission wanted, Mr. Golding claimed the Minister got in a muddle.

He said he would have expected the Minister to "carry in his head" the reason for having knocked £44m off the MSC's request for £684m.

Lord Gowrie replied that he was perfectly happy to explain his thinking on policy and provide figures to the Committee but that he was not on "Mastermind." If the Committee wanted precise figures in some areas it was better that they should wait and get the right ones rather than risk being given the wrong ones off the cuff.

PM's grim warning on change

BY RICHARD EVANS, LOBBY EDITOR

THE PRIME MINISTER delivered a stark warning to the country on television last night: it was "change cannot be painless."

The first party political broadcast in which Mrs Thatcher has appeared since becoming Premier was transmitted on the eve of the key Southend East by-election but there were few signs of electioneering or vote-catching.

The grim message was that things would get worse before they got better, but the Government would not be deflected from its purpose.

"We did not promise you instant sunshine. We pointed out over and over again that a nation cannot accelerate downhill for years and then jam the brakes on and suddenly return to prosperity, as though the past had never happened," she declared.

"We had to start by slowing down before turning round and beginning the long slow climb back up the hill to recovery. Change can't be painless particularly at a time of world recession and rapidly rising oil prices."

The broadcast was seen by Conservative Party officials as the start of a series of speeches and interviews in which the Prime Minister will hammer home the message that the illusions of the past must be shed.

Her theme was that the Government had inherited a disastrous and worsening industrial and economic situation and had no option but to implement new policies.

"We are paying the price for years and years of make-believe and now all the problems of those years have come home to roost. No wonder you agreed it was time for a change."

There was an implicit acceptance that things had not gone as well as anticipated when the Prime Minister posed a series of questions on whether the Conservative philosophy was failing or succeeding.

She asked whether the Government was giving the country the leadership it had needed for so long and whether it was living up to the promises made at the General Election last May.

She went out of her way by reminding the electorate of the Government's inheritance after "the appalling winter of discontent" from which the country had just emerged, scarred and shaken.

In her view the choice was clear. The country could continue on the way it had been going for years buying its way out of trouble by borrowing more money and doing nothing about crippling industrial strife. "We could carry on doing all these things until the economy finally collapsed."

Or, by a huge effort of national will, the country could stop the rot and change direction. This was the task set for the Conservative Government. She admitted that prices were still going up, unemployment was still rising, there was a prolonged and damaging strike but "change cannot be painless."

The Prime Minister also stressed the need for the Government to introduce change as humanely as possible so that those who could not look after themselves were properly cared for and protected.

Ashley Ashwood

THATCHER: "change can't be painless."

This clearly followed criticism from some Tory MPs that the Government was gaining a reputation for being cold and unfeeling.

"The Government has to strike a balance and this is what we are doing. I am afraid some things will get worse before they get better."

But she saw the first signs of common sense breaking through in places and gave examples of the Sheerness steelworks which has kept in operation during the strike, recent decisions by the workforce at British Leyland and the decision of South Wales miners not to strike on behalf of steelworkers.

Mrs. Thatcher claimed that despite current economic and industrial difficulties, the Government was pointing the way to a free, strong and independent future. "We will not be deflected from that purpose."

Pressure to increase child benefits

By Elinor Goodman

THE OPPOSITION will next week try to harness Conservative backbench pressure for a big increase in Child Benefits in an attempt to tie the Government's hands before the Budget. This is expected to move a new clause to the Social Security Bill (Report Stage) urging the Government to increase child benefit to make up for the effect of inflation since the last rise.

Labour may, however, lessen the chances of getting any Tory support for the clause by putting too high a figure on the proposed increase. Even so, the debate may add to the pressure on the Chancellor to include a sizeable increase in child benefit in the Budget.

A number of the new intake of younger Conservative backbenchers have been lobbying behind the scenes for an increase of at least £1 in child benefit

Foreign Office move on Games 'a blow'

BY DAVID TONGE

THE BRITISH Olympic Association yesterday described as a "savage blow" the decision by the Foreign Office to stop helping it in Moscow.

For the past two years Mr. Douglas Martin, a first secretary at the British Embassy in Moscow, has been representing the Association at meetings in the Soviet Union. He would also have dealt with the normal consular, travel and hygiene problems of the British team.

However, on March 6, Mr. Douglas Hurd, Minister of State at the Foreign Office, told the BOA that it was inconsistent with government policy on the Olympics to allow Mr. Martin to continue as Olympic attache.

Mr. Martin will now leave Moscow before the start of the Games. This will be at the end of his tour of duty, which originally was to be extended to cover the Games.

The BOA, whose head, Sir Denis Follows was yesterday quoted by the Soviet paper, Komsolskaya Pravda, as predicting that Britain would participate in the Moscow Games, said that it would be extremely hard to replace Mr Martin at this late stage.

Several members of Parliament also reacted angrily. Mr Stanley Cohen (Labour) described the Foreign Office decision as a clear indication that the Government intend exerting undue political pressure on those who wished to participate or wish to be involved in the Moscow Games."

Mr James Kilfedder (Ulster Unionist) suggested the Government should withdraw its ambassador from Moscow instead of "singling out the atheletes who have spent year preparing for the Olympics—it is totally unfair."

Richard Evans, Lobby Editor, writes: The Government is also to increase pressure at home in favour of a boycott of the Moscow Olympics. It was disclosed yesterday that the Ministry of Defence will not allow forces' personnel to compete in Olympic team events.

There will also be no special leave given to civil servants to compete. Even when competitors wish to take their annual leave, account will have to be taken by their superiors of manning levels in their department.

Backbench demand on EEC budget

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THERE WAS a demand from the Conservative backbenches yesterday for tough Government action if Britain fails to get a full reduction in its EEC budget contributions at the Community summit later this month.

Mr. Tony Marlow (C., Northampton North) said that if there was no satisfactory solution, the Government should consider withholding Britain's VAT payments to the Community as suggested by Mr. James Callaghan, leader of the opposition.

Mr. Marlow believed that this proposal would find a great deal of support on the Conservative side of the House.

He urged the Government to insist on the "slaughter" of the Common Agricultural Policy so that Britain could get equity in its dealings with the EEC.

His suggestions drew a non-committal response from Sir Ian Gilmour, Deputy Foreign Secretary, who said that the Prime Minister had put Britain's case strongly to the Community. The Government was working for an equitable solution and aimed to achieve it at the Brussels summit.

Labour backbenchers also urged a strong British line at the summit, but Sir Ian told them: "We are negotiating in our own way—firmly and sensibly. We don't believe the uttering of impotent threats is the right way to proceed."

But Mr. Peter Shore, Labour's Foreign Affairs spokesman, demanded: "What about uttering a few potent threats instead?" He maintained that the remedy lay very firmly in the Government's own hands, as it was our own money that was being dealt with.

"Why don't we make it plain that we shall jolly well see to it that we will achieve a broad balance by our own acts?" he asked.

Mr. William Hamilton (Lab., Fife Central) argued that the Prime Minister had "blown hot and cold on this matter for months, without a single positive result." He called for a much more aggressive and robust attitude, particularly towards the French Government.

Sir Ian told him: "I don't agree that the Prime Minister has blown hot and cold. She has been singularly strong and consistent on this matter throughout."

From the Labour front bench, Mrs. Gwyneth Dunwoody, complained that the EEC system of "own resources" was crazy and worked against Britain's interests. The Government should look for some other means of financing the Community, she said.

The Minister, however, did not agree that it was a crazy system. Britain was seeking to adjust it, but that did not mean that it was wrong in itself.

Mr. John Evans (Lab, Newton) asked Sir Ian to confirm that the suggestion that Britain was seeking to join the European Monetary System was "simply a wicked rumour" put out by the Foreign Office. He wanted Sir Ian to say that Britain had no intention whatever of joining that particular European snake.

But Sir Ian would give no such confirmation.

"We have said before that the European Monetary System is something to which we are extremely favourably disposed and which we have been considering for some time," he emphasised.

Mr. Shore intervened to say that this "great enthusiasm of the Government" for the EMS would come as a considerable surprise to Members on both sides of the House. He said there should be no agreement on Britain's joining until the matter had been fully debated in the Commons.

The Minister, however, thought that Mr. Shore was getting over-excited.

"It has always been our position on the EMS that we would join when conditions permit," he said. "At present, we cannot tell when conditions will permit us to join."

Pensions proposals scrapped

By Richard Evans, Lobby Editor

THE GOVERNMENT has scrapped proposals to pay retirement pensions fortnightly in a move that will lift the threat of closure from sub post offices.

Mr. Patrick Jenkin, Social Services Secretary, announced to a Commons select committee that pensionerds would be able to carry on drawing their pensions weekly across Post Office counters.

The decision rejects a proposal made by Sir Derek Rayner, the Government's efficiency adviser, as part of a cost-cutting exercise.

This had aroused fierce opposition both inside and outside Parliament and there had been fears that it would result in widespread closures of sub Post Offices, particularly in small villages, which depended on revenue from weekly pension transactions to stay in business.

Some of the strongest opposition came from Conservative MPs representing country constituencies. Mr. Jenkin acknowledged that the views expressed in Parliament and the campaign waged by sub post masters had resulted in the Government's decision to abandon the fortnightly payments plan.

The whole Rayner package, if implemented, would save around £50m a year but Mr. Jenkin's civil servants admitted yesterday that £15m of this had been lost by the pensions decision.

Other decisions on the payment of benefits have yet to be made but Mr. Jenkin hinted that he remained in favour of the fortnightly payment of child benefit as this rarely provided the mainstay of family income. This would have an estimated £12.9m.

Incomes policy needed, says Dell

BY DAVID MARSH

THE GOVERNMENT may soon need an incomes policy to bolster its fight against inflation, Mr. Edmund Dell, executive chairman of the Guinness Peat Group and Trade Secretary in the last Labour Government, said yesterday.

A "pre-natal" incomes policy already existed in the form of government advice on pay to nationalised industries, Mr. Dell told a London seminar at the English-Speaking Union. He felt a need for this sort of guidance to be strengthened in the present economic climate, especially since the Government was not being very successful in controlling money supply.

There was no doubt that a tough monetary policy was necessary. But it was questionable whether such a policy was sustainable or whether it was enough.

Because of the political constraints and the appearance of uncertainties over the direction of policies within the Government, Mr Dell said it would not be surprising if the authorities relaxed their monetary stance.

He said he never believed the country's economic problems were easy to solve. "But I hope that the Government's economic policy, however they have to modify it, will be successful. The country cannot afford a failure."

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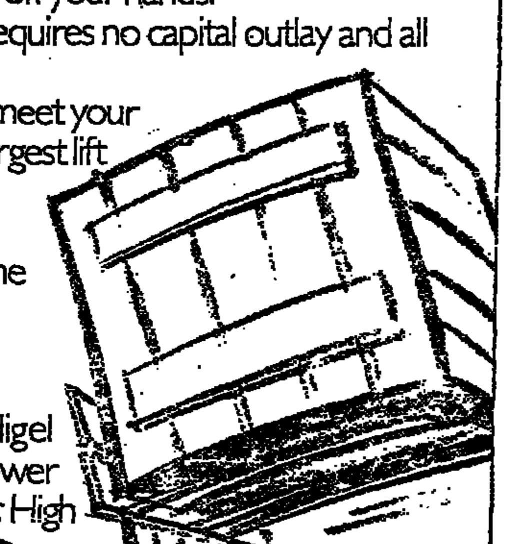

Harvey

Why buy, when Harvey hire.

Sheffield steel pickets arrested

BY OUR LABOUR CORRESPONDENT

FIFTY-NINE steel pickets were arrested in Sheffield during a mass demonstration by about 1,000 strikers outside Hadfields, the private steel company yesterday.

Two policemen were taken to hospital as the steelworkers tried to confront Hadfields' employees arriving for the afternoon shift.

The police said flying pickets had arrived in coaches from all parts of the North to converge on the area.

After the demonstration, the strikers moved to other factories They then went to the British Steel Corporation divisional headquarters in Rotherham.

Members of the Transport and General Workers Union this week joined the Irin and Steel Trades Confederation and National Union of Blastfurnacemen in a renewed attempt to hit steel users in the Sheffield area.

Several thousand pickets went into action outside engineering works on Tuesday and a TGWU spokesman said more members reported for picket duty yesterday.

At Ipswich, dock police were called after flying pickets from Scunthorpe threatened to blockade lorries leaving the port.

Assurance

The pickets said dockworkers had broken a pledge not to unload steel supplies. One lorry carrying steel was escorted through the picket line against a background of jeering.

Mr. George Wright, general secretary of the Wales TUC and TGWU Welsh regional secretary, assured steel strikers in Swansea yesterday that his union was tightening up the picketing of Welsh steel plants.

The TGWU would discipline lorry drivers who crossed picket lines, he said.

Shorter working week for nurses

UNION leaders yesterday welcomed a breakthrough which will enable health authorities to reduce the working hours of nurses from next month.

A national 37½-hour week for nurses will take effect from April 1981, but union leaders have been campaigning for an earlier reduction in their existing 40-hour week.

The Department of Health and Social Security has agreed that a 37½ hour week can be implemented from next month wherever local conditions make this possible.

Mr. David Williams, assistant general secretary of the Confederation of Health Service Employees and chairman of the staff side negotiators, said: "We are particularly pleased to make this justified breakthrough which has separated the working hours claim from the pay claim, still to be settled.

TUC urges 'windfall tax' in Budget

BY CHRISTIAN TYLER, LABOUR EDITOR

A TAX on the "windfall profits" of banks and oil companies and a "more realistic" growth of the money supply should be a priority in the Budget, the TUC said yesterday.

It also called for urgent Government action "to stem the flood-tide of imports."

Mr. Len Murray, TUC general secretary, wrote to the Chancellor after TUC leaders debated what they described as "the massive and exorbitant profits being announced by the banks and oil companies."

The letter said oil companies were making extra profits not because they were more efficient, but because of the OPEC price increases.

"There is no reason why the most powerful multinational corporations in the world should profit at a time when private consumers are being hard hit by energy price rises, the public services are being hard hit and productive industries are being squeezed to an unprecedented extent.

"In the case of the banks they have been the automatic beneficiaries of the Government's restrictive monetary policy. The increase in the interest rates caused by the increase in the Minimum Lending Rate to 17 per cent has grossly inflated the banks' receipts.

"The contrast between manufacturing industry on the one hand—in the straitjacket of high interest rates and an unrealistic high exchange rate—and the banks and the oil companies on the other hand could not be more stark."

Trade union alarm about imports, particularly of cars, motor tyres, coal, steel and textiles was reflected in the announcement by the TUC economic committee of a special survey of vulnerable industries.

Bank unions set to reject 17% pay rise offer

BY NICK GARNETT, LABOUR STAFF

THE FIVE principal English clearing banks yesterday offered a 17 per cent pay rise to their 180,000 clerical staff in response to claims ranging up to more than 30 per cent.

The management committees of the three staff associations operating in the banks will discuss the offer in the next few days and are certain to reject it.

Mr. Bob Carthy, general secretary of the National Westminster staff association and leader of the associations' negotiators, said the offer did not meet the claim for rises of 20 to 28 per cent for the four grades.

Mr. Leif Mills, general secretary of the Banking, Insurance and Finance Union, said the union could not accept a 12-month deal which did not allow it to renegotiate increases during the year.

The union, which will meet today to discuss the offer, is issuing a newsletter saying it has serious reservations about the proposals.

The union's claim is for general rises of 25 per cent and more than 30 per cent on the present starting rate and on standard salary figures for cashiers.

Print unions offered 20.6% and cut in hours

By Alan Pike, Labour Correspondent

THE EXECUTIVE of the National Graphical Association will decide today whether to accept an offer giving pay increases of up to 20.6 per cent and a shorter working week to 180,000 general printing and provincial newspaper workers.

Leaders of the other unions involved — the Society of Graphical and Allied Trades and the National Society of Operative Printers, Graphical and Media Personnel—agreed early yesterday, at the end of a 13-hour negotiating session, to recommend the offer to their members.

The offer, from the British Printing Industries Federation and the Newspaper Society, would give craftsmen an extra £12.79 a week (20.6 per cent) and a new minimum earnings level of £75.

There would be proportionate increases for other grades.

There would be a reduction in the standard working week from 40 to 39 hours next January, with a further drop to 37½ hours in July, 1982.

The offer also includes consolidation of £3.96 of a flat rate supplement and, say the employers, "significant new measures" to improve productive efficiency through increased flexibility.

SOGAT and NATSOPA, which represent the majority of the workers involved, will ballot their members on the offer.

Government policies 'hit women hardest'

BY PAULINE CLARK, LABOUR STAFF

WOMEN will be the worst sufferers from Government policies on employment and the economy, Mr. Len Murray, TUC general secretary, warned yesterday.

He called for unity among the 3.5m women in the trade union movement, while speaking at a pre-conference meeting of 260 delegates to the 50th TUC women's conference, which starts in Brighton today.

The delegates will embark today on several major debates on the Employment Bill and public expenditure cuts, both of which several motions warn are a major threat to working women's rights.

Dissatisfaction with present Government policies was expressed most colourfully yesterday by a north country delegate. "Get rid of her, love." She shouted to Mr. Murray amid cheers when he referred to Mrs Thatcher's election as Prime Minister as "one step forward for Mrs. Thatcher and several steps backward for womankind."

Mrs. Marie Patterson, chairman of the conference, said a special leaflet for the shop floor would be issued, explaining the attack on working people and especially women in the Government's Employment Bill and economic policies.

Mr. Murray said that already "unemployment is hurting women harder than it is hurting the economy as a whole.

"Hard hit by the recession are industries like textile and clothing where women have predominated. Public expenditure cuts threaten other women's jobs—in the school meal service, to name but one.

Mr. Murray said the basic need was for a change in attitude toward working women, but he also made it clear that there was no room for trade union complacency.

Suppliers still meeting 'irregular' demand

BY OUR FINANCIAL STAFF

MAJOR STEEL stockholders are still able to meet most customers' requirements, although the strike is in its 11th week. At Bore Steel, the Birmingham stockholding subsidiary of United Spring and Steel, the situation is becoming critical. Supplies that the group can obtain are quickly snapped up.

GKN Steelstock, the stockholding subsidary of Guest, Keen and Nettlefolds, has not been able to pinpoint a sales trend during the strike because demand is so irregular.

Customers undoubtedly overbought in January, Mr. Norman Richards, Steelstock chairman said. Popular sizes are now being run down. "Some substitution is still possible in coil and, to a lesser extent, structural steel. It is amazing what people can do."

Even allowing for pre-strike stockpiling, GKN believes that the strike has underlined industry's inefficiency in carrying overweight inventories.

"The fact that UK industry is still working after more than two months of a strike which affects us every 50 years indicates the confusion between the purchase price of steel and the cost of carrying stocks."

Short-time for tractor workers

By Maurice Samuelson

NEARLY 800 employees at International Harvesters' two tractor assembly factories at Doncaster will lose a day's work this week and next as the company slows production to conserve key components.

The company, with an annual turnover of about £175m, normally produces 110 tractors a day. Short-time working had initially been planned for last week.

International Harvesters, with 3,500 hourly paid staff, is Doncaster's biggest private employer. There is a smaller plant at Bradford.

Guest, Keen and Nettlefolds have re-employed all but 70 of the 1,300 people laid off at Bromsgrove and Darlaston forgings in the Midlands.

However, there are still about 4,000 people on short time. GKN's pressings side depends on supplies from BSC and stocks for some lines could become critical "in days or a couple of weeks."

Lucas Industries is one of the majority of companies which says it is working normally. It says it will make no lay offs but fears the "knock-on effect" of strike to its customers in the motor industry.

● CONSTRUCTION: In most areas of building, there have been few serious problems. But there are fears projects could be delayed later this summer, even if the dispute is settled quickly.

The return to work of most private steelmakers has eased supply problems, particularly for reinforced steel. There is estimated to be sufficient stocks for six to 10 weeks' work.

There are serious shortages of sheet steel piling, used for foundation work in many major civil engineering and larger building contracts.

● CANNING: Most major food manufacturers are affected, especially East Anglian canning plants such as Spillers and Smedley HP. Metal Box, which produces most tinplate used by canners, has only six of its 24 factories unaffected.

But stocks held by food manufacturers and supermarkets are understood to be sufficient for at least another three weeks.

● SHIPBUILDING: So far only Austin and Pickersgill has been affected. Last month it put its 2,600 workforce on a three-day week. Appledore Shipbuilders in Devon, which uses about 400 tons of steel a week, says the strike is starting to bite. But it is still some way off putting its workforce on short-time. In Scotland, Govan Shipbuilders said earlier this week it could carry on for some time.

● RAIL: Steel rails and some special steels used in British Rail workshops are in short supply. BR's income from carrying steel rails and raw materials has fallen by £20m since the strike began.

● ELECTRICITY: The Central Electricity Generating Board—which satisfied a record peak demand of 44,219 MW in January—estimates that the strike cut peak demand by as much as 1,500 MW. Peak demand is now thought to be 1,200 MW lower than normal.

● COAL: The coal industry has faced cash-flow difficulties because of a sharp fall in coking coal deliveries. But reduced demand has not affected production. The National Coal Board has been either stockpiling its surplus coking coal or blending it with other coals for use in power stations. Nor has the Board yet suffered from a shortage of steel products used in mining.

Export prospects at risk

BY RHYS DAVID

THE STEEL strike, coming after last year's engineering and haulage stoppages, was harming Britain's reputation as a supplier of goods and services, Sir John Methven, CBI director-general, said in Liverpool yesterday.

Sir John, who has just returned from Australia and New Zealand, said it was now very hard to convince buyers that the UK was a reliable supplier. Export prospects were risking long-term damage as a result of the strike.

Employers, managers, union leaders and employees should remember that, seen from abroad, Britain's strikes always looked more serious than they did at home.

Sir John, speaking at the North-West CBI's annual luncheon, praised the resourcefulness of industry during the strike in maintaining output levels at 95 per cent of normal.

"This has been done through the ingenuity of those working in many different companies. It has been done by importing more steel and by importing semi-manufactures instead of using our own steel — all affecting, for the worse once again, our balance of payments."

With the Budget now only two weeks away, Sir John confirmed CBI support for the Government's broad economic policies, though it is believed that members in the region had told him in a private session of growing reservations over the effects of current policies.

Sir John said it would be rash to expect everything to come right within nine months of the present government coming into office.

Discretion 'traditional'

THE English courts traditionally exercise discretion in favour of journalists unwilling to disclose their sources of information, a QC said in the High Court yesterday.

Only in cases of overriding public policy was that discretion withheld, said Mr. Alexander Irvine, QC, for Granada Television.

Mr. Irvine was opposing an application by the British Steel Corporation for an order requiring Granada to reveal who supplied "highly confidential" documents for use in a World in Action programme broadcast on February 4.

British Steel has complained that the documents, when returned after earlier court proceedings, had been "mutilated and censored," making it impossible to identify the source of the leak.

The corporation suspects the source was an employee with "a keen sense of indignation" about dealings between it and the Government before and during the present strike.

Mr. Irvine read from a number of legal authorities which, he said, amply demonstrated the defined and recognised public interest in the freedom of the Press.

The hearing was adjourned until today.

Shotton site considered

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

British Aerospace is studying the possibility of acquiring another factory to help expand production of wings for the A-300 and B-310 European Airbuses.

Sites under review include the BSC plant at Shotton, North Wales, which is due to close. Existing British Aerospace plans have also been considered for possible expansion.

The aerospace group stresses that the review is not yet complete, and no decisions have yet been taken, and may not be for some time. It denies that Shotton is the most favoured site, although it is high on the short-list.

The current order book for Airbuses of all versions stands at 404 aircraft, for which British Aerospace, with a 20 per cent stake in the Airbus Industrie consortium, is making all the wings.

Current production at the British Aerospace Chester plant is about three wing sets a month, but this is to be increased progressively over the next year or two.

But if orders continue to flow in for the Airbuses as rapidly as they have over the past year or so, Airbus Industrie itself is planning to raise production from three aircraft a month to reach ten a month by 1985.

Midlands industry brings in stock swap system

BY LORNE BARLING

THE MIDLANDS engineering industry has changed product specifications and introduced a successful steel exchange system as part of its attempts to beat the effects of the steel strike.

There is evidence of serious shortages of some steel, such as strip, but industry appears to be meeting its requirements surprisingly well, says the West Midlands Region of the Confederation of British Industry.

Mr. Reg Parkes, chairman of the region and of the Rockhouse House Group, said yesterday that many companies had persuaded their customers to accept product changes. These allowed manufacturers to use steel which may otherwise have been scrapped.

Rockhouse recently reached an agreement with Renault to change the specification of anti-roll bars, supplied in volume to France. Mr. Parkes said his company and others were glad to make use of old stocks.

The exchange scheme, run by the Engineering Industries' Association, has also been used extensively. Companies offer unwanted steel to those needing it.

The Association, whose members are mainly smaller companies but include major users such as GKN said demand had increased recently, particularly for strip.

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THE MARKETING SCENE

BY MICHAEL THOMPSON-NOEL

Ogilvy signs deal with China

OGILVY and Mather International has signed agreements with the Peking Advertising Corporation and the Guangdong Advertising Corporation to act as primary agency on their behalf within the EEC and in Australia and New Zealand.

The move reflects the growing speed with which the major agency networks in the West are forming relationships with *China. O and M* will be the main agency for placement of Chinese advertising in those areas. This will include promotion of Chinese tourism.

O and M claims to have closer ties with China than other agencies. According to Michael Ball, its executive director: "We were the first international agency to place advertising for Chinese products outside China or Hong Kong."

It says it was also one of the first to place advertising in China, on behalf of clients that include American Express, Mercedes Benz, Rado watches and Grundig.

● **LINTAS: LONDON** is planning a £750,000 relaunch campaign for Lever Brothers' Lifebuoy toilet soap. The brand was originally launched in 1930. Its current market share is 5 per cent in a market measured at 59m tons in 1978.

● **A SURVEY** by the Royal Institute of British Architects indicates that 47 per cent of the profession is in favour of Press advertising on behalf of members, though only 13 per cent favours advertising on local radio or TV. Nearly 60 per cent of members under 45 (and 57 per cent of salaried architects) favours Press advertising

● **BURTON**, which spent £1m on Press, radio and TV last year, is running an experimental made-to-measure test campaign in Lancashire featuring comedian Les Dawson. The agency is McCormick Intermarco-Farner.

The Sunday Times is picking up a head of steam again, after its absence last year, as witnessed by recent weighty issues of its colour magazine.

"The Sunday Times magazine is virtually a medium in its own right," says Roger Pratt, media director of The Kirkwood Company, explaining the agency's unusual step in deciding to concentrate an entire campaign, for French Appellation wine advertising, within the magazine.

The campaign is costing approximately £250,000, and will involve a colour double-spread each week for 23 weeks starting this Sunday. Six ads will appear in rotation, each featuring the wines of a different region of France.

According to Kirkwood's: "Rather than run one advertisement in six publications, we've chosen to run six in one. The magazine offers readership coverage among 50 per cent of frequent wine drinkers, and we were able to arrive at an extremely satisfactory financial arrangement."

NEW PRODUCTS: *How many new food brands survive to show a profit? The answer is: even fewer than you think*

How the odds are loaded

AS THE recession starts to bite, more and more companies will hark back wistfully to the days, 10 or 15 years ago, when virtually anyone who was someone, and quite a few who weren't, had a share of the new product action, when life was easy and it was a relatively painless task to discover bright new gaps in the market.

It is not any more. A first-class guide to the minefield of new product development is provided in the transcript of a seminar organised by the Univas Company late last year, and in particular by the contribution to that seminar of John Madell, a director of the Boase Massimi Pollit Univas agency in London.

Specifically, he examined new product development in UK food markets over the past ten years in a bid to gauge how many new brands in fact survived, and why. The agency's research yielded a wealth of raw data. Much of it can be analysed further, but in summary, a number of key points have already emerged (remember, we are looking at fast-moving food products):

● On average, about 70 new brands are launched in Britain each year;

● Whilst around half of them survive, at least for a period, only 4 per cent achieve a retail turnover of £4m-plus;

● For manufacturers diversifying out of their main field of expertise, the odds are much worse, probably in the region of 5 in 1,000;

● Brands creating new markets accounted for only eight out of 31 successes during this period, around 25 per cent;

● Genuine manufacturing innovation, while accounting for only six successes, produced by far the largest new brands;

● The largest number of successful new brands came from the use of existing technology and materials;

● Growth markets, such as new food trends, accounted for only six successes;

● In contrast, static or sleeping markets yield a significant proportion of successful new brands.

How did BMPU approach this huge research task? First, it restricted itself to those products that had been advertised. One reason was that it was interested primarily in the activity and success rate of major fast-moving packaged goods manufacturers, and so the criterion of an advertised launch seemed appropriate.

Even after eliminating problem categories like snacks and countlines, as well as fragmented regional and commodity markets, Mr. Madell was still left with 31 food categories. Between 1969 and 1978, Mr. Madell found that within the 31 markets covered, there were 730 advertised new product launches, or an average of 73 a year. The most active years were 1971 (94 such launches) and 1972 (92); the low points were 1969 (53) and 1975 (55).

On average, 52 per cent of products launched in each of these years had survived to the end of the period, although the percentage of survivors naturally increases from year to year as the time scale grows shorter—only 15 of the 53 brands launched in 1969 were still alive in 1978, against 33 of the 55 launched in 1975. (1972 and 1973 produced particularly high survival rates. According to Mr. Madell, Birds Eye launched a relatively large number of frozen convenience meat products in those years, most of which have survived).

In the categories assessed, 24 per cent of new products failed within their first year (many of them entombed in an area test). The survival curve then plateaus during the second and third years, but drops sharply again in the fourth. Year four is clearly a watershed. Mr. Madell says this ties in well with other research indicating that on average, most new products are still losing money in their fourth year, but tend to cross the line in their fifth.

There seems to be a strong correlation between market size, new launch activity level, and survival rate. New products in the larger high-activity markets have a survival rate almost twice as good as those launched in low activity markets. (Biscuits and canned meats are examples of high activity markets; babyfoods and canned fish and canned fruit examples of low).

Bravely, Mr. Madell has produced a list of the 31 most successful products launched during this period. Clearly, definition of "success" will vary from company to company. Mr. Madell has chosen to define it as those products that were still alive in 1978 and enjoying a retail sales turnover of at least £4m. This is fairly rough and ready, he admits, but on the whole, most major fast moving packaged goods makers would regard it as the minimum turnover necessary to justify continued marketing support.

Of the total of 730 products launched between 1969 and 1978, only 31 (4 per cent) meet this requirement. The top five brands, together with their turnover at RSP and brand share, are as follows: Stork SB soft margarine (£54m, 18 per cent), Brazilian Blend instant coffee (£18m, 6 per cent), Crawfords Pennywise biscuits (£15m, 6 per cent), St. Ivel Prize yoghurt (£13m, 27 per cent) and Mellow Birds instant coffee (£12m, 4 per cent).

(It must be borne in mind that some products on the list have been in existence for a shorter period than others. In any case, in addition to the 31, there are a number of rapidly growing instant noodle products that will undoubtedly enter national distribution, although until they meet each other nationally it is difficult to assess individual brand success).

Remarkably, Mr. Madell found that 27 of the 31 new products on his £4m list came from companies already operating within that particular market, or at least possessing skills broadly related to it. Only three successes were the result of true diversification (the one left over was the result of acquisition).

According to Mr Madell: "Interestingly, the largest number of successes came from brands achieving a small share of an already large market. Despite the fact that an awful lot of new product development concerns itself with creating new eating habits: "building a new market" only accounted for eight successful brands. One reason here is that often these new markets become very busy, with a large number of manufacturers jumping on the bandwagon. The net result is that whilst the market may grow substantially, competition is so fierce that few significant individual brands emerge, and the market becomes fragmented."

There is a great deal more in the Boase Massimi study, including a discussion of the various routes to market entry adopted for these brands—not surprisingly, genuine manufacturing innovation, whilst producing only six successes, generated a combined turnover for the brands involved of £117m, against the £39m worth of turnover generated by the five successful (i.e. £4m-plus) me-too's.

The full study will be available shortly. Buy it.

Imports: what it costs to muscle in

THE SHEER muscle-power behind the import invasion of U.K. consumer goods markets has been spotlighted in figures provided by the London-based Association of Manufacturers of Domestic Electrical Appliances.

According to AMDEA, Zanussi, Europe's largest white goods manufacturer, spent a remarkable £23 per washing machine on Press and television advertising in 1977, against an industry average of £3. In 1978, says AMDEA, the Italian invader spent just under £15 per machine, against an industry average of £2.80.

According to the association's director general, Mr. J. P. Collis: "Those figures that we have so far for 1979 show that it is continuing. Indeed, with the cutbacks in advertising by Hoover and Hotpoint, Zanussi in the first nine months of the year accounted for just under a quarter of above-the-line advertising expenditure on home laundry products"

Mr. Collis was responding to a story on this page on February 21 detailing the success with which Zanussi has set about the UK domestic appliance markets. Last year, under its own brand name, Zanussi sold 270,800 refrigerators, fridge / freezers, freezers, washing machines, tumble driers and dishwashers for a 6.5 per cent market share in those sectors, where total sales were worth £630m. (It also sold approximately 200,000 units via own label).

This year, under the Zanussi brand name alone, it hopes to sell at least 425,000 units for an estimated 11 per cent market share. It firmly insists that its retail selling prices are pitched at five per cent either way of the market leaders, and that it is neither a dumper nor a bully.

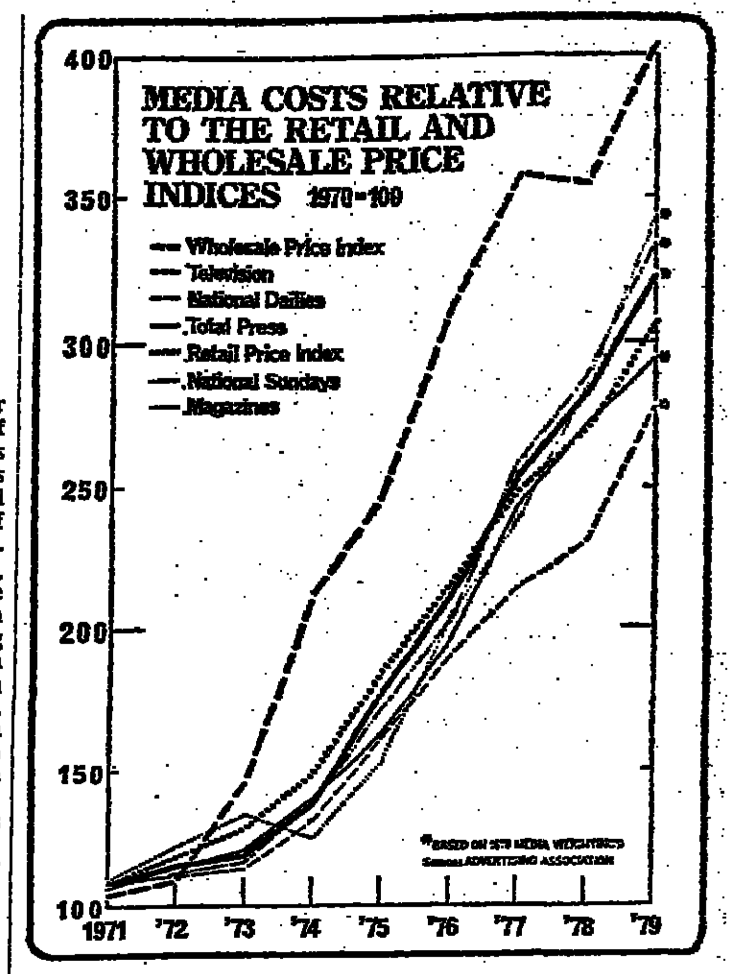
Mr. Collis says he is sure that if Zanussi continues to spend at the rate it is doing (the Zanussi advertising budget this year is approximately £2m), it will achieve its objectives. "They are heavily outspending the UK manufacturers by a margin which is horrifying."

To be fair, it should come as no surprise to discover the high cost faced by any importer determined to push for a significant market share, nor to learn that the initial heavyweight push offers scant hope of profit.

"It depends on one's definition of fair competition as to whether one should bring in the profit element or not. However, if we do give Zanussi credit for economies of scale, productivity, etc., to enable them, despite their heavy advertising, to sell in our marketplace competitively, we would not wish to extend this to other Italian manufacturers.

"Today, about 50 per cent of the automatic washing machines sold in the UK are imported, most of them from Italy, and a large part of the market is taken by machines that sell some £60 below the UK price."

Mr. Collis says AMDEA is not calling for import controls, but for "orderly marketing," specifically an end to the fiscal vagaries, such as HP controls, that have dogged UK electrical goods manufacturers



Media rates +15.5%

ADVERTISERS and their agencies periodically lament the *inflation of media costs*, but the facts, as rendered by the Advertising Association's combined index of media rates, do not support their cries of woe.

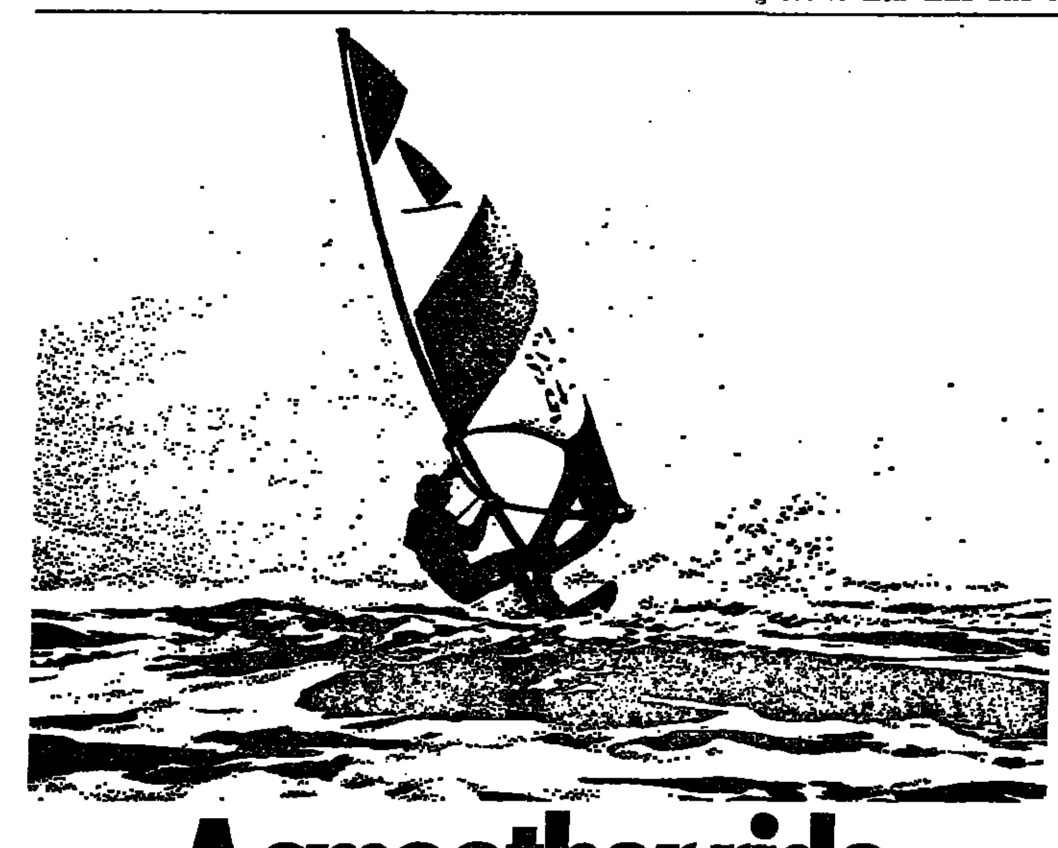
Latest figures, published this week, show a rise in the combined index of 15.5 per cent for 1979 over 1978, compared with a level of 13.4 per cent for retail price inflation and 13.8 per cent for wholesale price inflation over the same period.

According to Mike Waterson, the AA's head of research: "This increase is not exceptional if one takes account of the very buoyant demand for advertising time and space in 1979. Over the past 10 years, Press and television costs have risen roughly in line with each other, rather faster than retail prices but considerably less than the wholesale price index with which advertising should more properly be compared."

An increase of 15.5 per cent in the AA's combined media index is well behind the media inflation rates of 1975, 1976 and 1977, when the year-on-year percentage increases were respectively 26.9 per cent, 22.2 per cent and 18.1 per cent.

There was a severe rise in the cost of television airtime in the last quarter of last year, mainly because of unprecedented demand for airtime following settlement of the ITV strike. Airtime demand in the current quarter is even more marked. (The AA's TV index takes account of rate card discounts; its Press index does not).

The AA's TV index (1970=100) now stands at 342.4, against 322.5 for the combined Press index. National dailies are at 333.7, regional dailies at 361.5, magazines and periodicals at 277.8, and trade and technical at 301.1.



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will next be presented from 12-23 May 1980 and from 10-21 November 1980 at Cranfield School of Management.

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We shall send you further details on the programme as soon as we receive your completed coupon or telephone call.

To: Dr. David Corkindale.
Developing Key Marketing Skills.
Cranfield School of Management.
Cranfield, Bedford MK43 0AL.
Tel: (0234) 751122. Telex: 825072.

Cranfield School of Management

Please send me further details and information on the programme Developing Key Marketing Skills so that I may judge its value to my company.

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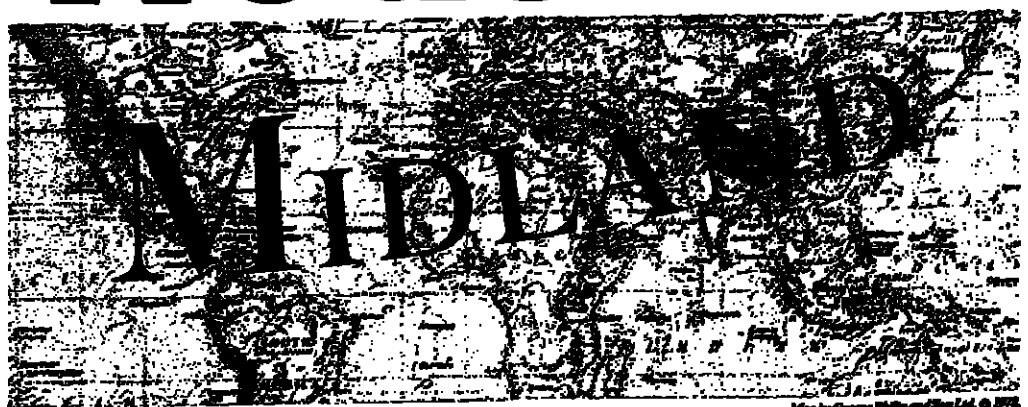

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Provision of specialised export finance as well as advice on international regulations, tariffs and documentation procedures through the London American International Corporation Ltd., which operates in over 100 countries.

The poetry, and practicality of trademarks

BY MICHAEL DIXON

ALTHOUGH THE old Viyella International rather more than doubled my salary when it recruited me in 1963, it did not make at all clear what it had recruited me to do. But I had not been sitting at my executive desk for long when the first envelope arrived from some superior level.

Inside the envelope were several sheets of paper with lists of words on them, plus a brief, typed memorandum. This disclosed that the listed words were the company's *registered* trademarks, and asked me to consider them and suggest any changes that might be helpful. So I straightway fell to considering.

The first, unavoidable conclusion abouy the trademarks was that there were the devil of a lot of them, only two of *which had been previously* known to me. These, of course, were the names of the company's two world-famous cloths —"Viyella" and "Clydella" — each of which had a geographical foundation. (The Via Gellia is a road in Derbyshire which in the local dialect came to be pronounced "Viyella.")

But the other words on the list raised the suspicion that the company had employed somebody at least one day a week to mass-produce new names. Even if the person so employed spoke English, which I doubted, he or she certainly lacked poetry. For *the bulk of the trademarks had* clearly been generated by taking common words and, without any apparent regard for harmony, tacking "ella" on the end of them.

The result was a mass of botches such as "Dayella" and "Nightella," constituting sounds which Beethoven, even when deaf, *would not have been able* to contemplate without going away and banging his head against a wall for a couple of minutes.

Pondering what I might safely report to my new employer, I suddenly hit on a possible approach to the problem, which would offer not only better *aesthetics but point the* company towards new products.

What, for instance, about making a rain-proofed cloth and calling it "Umbrella," or a *fashion-fabric initiating the* ill-treated look under the trademark "Cinderella," or an outerwear cloth for marketing specifically to amateur botanists as "Greeneryella?" To me, this seemed to offer an entirely new dimension to the concept of market-orientation.

The only trouble was that my employer might not be ready to be led, in my first week, into a totally changed business philosophy. So I decided to shelve the creative approach for a day or two, and in the meantime deal with the trademark assignment by means of *compromise. This would be a* recommendation to retain "Viyella" and "Clydella," while scrapping all the others and replacing them with the *single name "Nonsella."*

But before I could start writing the report, a pin-striped dynamo appeared at the office door to say: "Never mind the *trademarks." He then sent me* to stand by on a golf-club verandah while a photographer took pictures of a series of feet clad in Tartan-patterned socks.

Working in this higgledy-piggledy way was not to my liking, so I decided to leave and return to journalism. And sadly, it was *only after committing* myself to do so, that I learned what I had been recruited for.

Called to the chief executive's *office*, I found him talking on the telephone. As he looked up and saw me, he suddenly said to whoever was at the other end of the line: "I know how we'll tackle this — I'll send round Michael Dixon to see you. He writes poetry, you know."

So that was it. Obviously I had been engaged as company poet.

Since then I have always had the feeling that, if only I had been told so at the start, things might have been entirely different. I would have refused to go off and supervise the feet-photography, developed the new *approach* to business based on trademark-creation . . . and well, who knows? But, without the new approach, the economy hasn't exactly prospered, has it?

It was therefore disappointing to be told by recruitment consultant Geoffrey King the other day that my outlook on trademarks would have been alto*gether too radical for me to* have gained acceptance by the trademarking profession.

And Mr. King, who runs Cambridge Recruitment Con*sultants, knows what he is* talking about because he is seeking a new manager of patents and trademarks for a big pharmaceuticals group *based in the South-east of England*. Since he may not name the company, he promises to abide by any applicant's request not to be identified to the employer until permission is given.

The company invests millions a year in research and development of new products. So the department to be run by the new manager plays a vital part in securing the concern against piracy. With a team of specialists in support, the newcomer will be responsible to a senior director for providing the required protection.

Candidates must be Certified Patent Agents, with demonstrable ability to manage specialist staff, and with highly developed analytical skills. Those with a scientific training which could provide an insight into new-product possibilities would have an advantage. So, of course, would applicants *whose previous experience* of filing and presenting patents in the United Kingdom and overseas, has covered pharmaceutical or chemical products. The *age indicator is 35-plus*.

Salary will be around £20,000, and perks include a car. Inquiries to Mr. King at 1a Rose Crescent, Cambridge CB2 3LL; *telephone 0223 311316*.

Financial head

ABOUT the same salary is *being* offered through James Denholm of Financial Appointments for a financial director to be based in Manchester with a £55m-turnover group which *manufactures and retails* furniture. Applicants who so request will not be named to the employer until specific permission is given.

The main tasks of the job are to keep top-level watch over the group's financial activities and to advise the recently reorganised Board on corporate plans and future development. The need is for a qualified accountant, preferably an FCA aged 35 to 45, with sound experience of similar work in business, and with "a tough and determined character." A car of sumptuousness in keeping with the job, will be among the perks.

Inquiries to Mr. Denholm at 18 Golden Square, London, W1; telephone 01-734 2603.

Economist

FORMER colleague Christopher Johnson, now economic adviser *at Lloyds Bank*, seeks an economist aged in the mid-20s as his assistant, initially on a two-year contract. Based in London, the recruit will help to *forecast economic and monetary* variables, advise on the collection of cuttings, documents and statistics, and do research for the bank's publications.

Candidates should have a good degree in economics, including econometrics, plus subsequent experience of practical work as an economist. Ability to spin words as well as crunch numbers is required, and some reasonably short example of work so far produced should be sent to Mr. Johnson along with outline of career. Computer-terminal proficiency would help. I'd say that, all other things being equal, interest in sailing dinghies, preferably Albacores, could be advantageous. Salary to suit those now earning about £7,000.

Christopher Johnson's address is PO Box 215, 71 Lombard Street, London EC3P 3BS.

Progressive careers in accountancy

c. £9,000 + car + benefits

Peterborough

The Thomas Cook Group, a subsidiary of the Midland Bank, operates travel agency, tour operations, travellers cheque and foreign exchange businesses on a world-wide basis. The Group has ambitious but realistic development plans and recent promotions have created the following vacancies within the Accounts Division at the Group Headquarters in Peterborough.

Project Accountant-Corporate Finance

The successful candidate, as a member of a young professional team reporting to the departmental manager will be involved with diverse assignments for senior management.

Duties include undertaking acquisition studies, evaluating investment/divestment proposals and advising on company formations involving the related legal and taxation aspects. Detailed liaison is required with the Group's professional advisors.

Applicants should have a strong financial background.

Accountant-Group Management Reporting

The successful candidate, reporting to the Group Accountant and aided by a small staff will be responsible for the production of the group management accounts. This will involve close liaison with the accountants and management of all operating subsidiaries to ensure that group reporting requirements are understood and properly implemented. He/she will also be expected to make recommendations on and implement improvements in the quality of management accounting information. Applicants must have had previous management accounting experience.

Applications are invited for both positions from qualified accountants aged between 25 and 30 who have worked in a medium/large sized public practice and/or a sizeable commercial or industrial company. Both posts offer good prospects for career development and benefits include assistance with relocation expenses, BUPA, generous holidays and participation in the Management Car Scheme. In addition the Group operates a profit sharing scheme subject to service eligibility.

Please write supplying details of career and present salary to:—

Mr. C. W. Manby, Personnel Officer,
Finance Services Division,
The Thomas Cook Group Limited,
P.O. Box 36, Thorpe Wood,
Peterborough PE3 6SB.

Thomas Cook

Going Places

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Salary up to £15,000 Age to 35

OUR client is the UK arm of one of the world's largest and most prestigious international life assurance groups. The UK company markets both traditional and unit-linked products. The investment portfolio is fast expanding.

AS investment manager you will be responsible to the Investment Director for the management of the company's UK equity portfolios. You will be given full discretion where the formulation and implementation of equity investment is concerned.

YOU will have 2-5 years experience as a portfolio manager with a major financial institution and are probably a graduate, an accountant or an actuary.

THIS is a key position within the company and your progression prospects are excellent, initially in terms of the expansion of the portfolio.

YOUR name will not go forward until you have been fully briefed. For further details in confidence, please ring or write to:-

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Henderson Crosthwaite

CONSUMER BRIEF

A joint editor of the Consumer Brief (the one with the classical leanings) is shortly to take up a management position in the food industry. His seat must be filled. David Lang and John Howarth want to hear from specialists in the consumer area (food, drink, tobacco, packaging and leisure) who would like to become a member of an established and successful team which publishes some of the most readable and widely read analysis in the field.

The job is a challenge and if you think you could handle it, get in touch with us at:-

HENDERSON CROSTHWAITE & CO.,
Stockbrokers,
194-200, Bishopsgate,
London, EC2M 4LL.
(Tel: 01-283 8577)

CHIEF ACCOUNTANT

wanted for

Export Finance Company

The Export Finance subsidiary of an old-established Merchant Banking Group seeks to appoint a Chief Accountant for its expanding Export Finance subsidiary. Candidates in the age group 30-40 years are likely to have had previous experience with a financial services company such as an export finance company or confirming house or, alternatively, with a major capital goods manufacturer which regularly provides credit to overseas customers. Candidates desirably will also have knowledge of all or some of the following:

Electronic data processing and related organisation and methods techniques
Experience in dealing with the accounts of overseas branches and subsidiaries
Overseas taxation
Credit analysis
Foreign exchange
ECGD guarantees and procedures

The vacancy is unlikely to be filled by a person currently earning below £10,000. Salary and benefits by negotiation according to age and experience.

Applications in candidate's own handwriting together with curriculum vitae should be submitted to:—

Walter Judd Limited (Ref: L250)
(Incorporated Practitioners in Advertising)
1a Bow Lane, London EC4M 9EJ.

indicating the names of any Companies to whom you do not wish your reply to be sent. If the list includes the Company involved, your application will be destroyed.

Hoggett Bowers
Executive Selection Consultants

BIRMINGHAM, CARDIFF, GLASGOW, LEEDS, LONDON, MANCHESTER, NEWCASTLE and SHEFFIELD

Assistant Divisional Controller

Central London, c.£11,000+car

★ The Division, part of a U.K. public group, has 80% + of its turnover overseas, particularly in the U.S.A. and Continental Europe.

★ The work will include involvement in all aspects of divisional accounting and financial management-unit accounting, taxation, management planning and reporting, operational reviews and special assignments.

★ Candidates will be qualified, probably 27-35, with a good range of industrial exposure including, ideally, experience in engineering contracting and/or an international environment.

★ Some international travel will be involved and the remuneration package includes some attractive benefits.

J.A.T. Bowers, Ref: 21191/FT. Male or female candidates should telephone in confidence for a Personal History Form to: LONDON: 01-734 6852, Sutherland House, 5/6 Argyll Street, W1E 6EZ.

EMA

FINANCIAL DIRECTOR

S.W. Yorks. c£15,000 + car

Responsible to the Managing Director, the Financial Director will manage a small central staff and be responsible for a substantial divisionalised function. Playing the lead role in a series of rationalisation exercises, the Financial Director will have to be innovative and develop systems and control procedures. There will be considerable opportunity to display commercial skills.

Our multi million turnover client is part of a UK public group with an impressive growth record. Expansion will continue both organically and through acquisition. Applicants, male or female, aged 30-45, should be qualified accountants capable of displaying a commercial track record. Please telephone or write to David Hogg FCA quoting reference I/1964.

EMA Management Personnel Ltd
Burne House, 88/89 High Holborn, London, WC1V 6LR
Telephone 01-242 7773

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Write in confidence to:
The Managing Director, Fulton Packshaw Limited
34-40 Ludgate Hill, London EC4M 7JT
or telephone:
Mrs. Diana Clarke on 01-248 3242, Extension 271
Fulton Packshaw Limited is a member of the Charles Fulton Group — International money brokers

ACMAs/ACCAs

CENTRAL LONDON—UP TO £10,000

Expansion of a major industrial multinational has created three challenging new jobs for qualified accountants. Industrial experience is essential as is the ability to communicate clearly and fit into a specialised management team. One of the positions could suit an ACA. Self motivated men or women seeking excellent career prospects should obtain full details from Ms. V. Crawford (01) 491 4445 (Recr.Cons.).

ASSOCIATE MEMBERS

Birmingham Stockbrokers Chambers & Remington wish to contact London Members with dealing experience to operate their London Box. Best terms offered. Tel. 021-236 2577 or STX 57-263 or 264 in confidence to C. Blackshaw.

CITY UNIVERSITY BUSINESS SCHOOL

Research Fellowship in Financial Marketing

Applications are invited from experienced researchers for appointment to a newly endowed three-year Fellowship in Financial Marketing, tenable at City University Business School from October 1980. The successful candidate will have a good university degree, preferably in a related area such as economic history, economics or business studies.

The research project concerned is a study of the development of Financial Advertising and Marketing, first during the period 1945-1960 and then during the period from 1960-1975. It may also be necessary to extend the study to cover the period 1918-1939.

The salary scale for the post would be either within Grade IA (£5,052-8,769) or Grade II (£8,083-10,484) plus £740 per annum London Allowance. The starting salary will be fixed in relation to age, qualifications and experience. Superannuation (for which a 6¼% deduction is made from salary) is in accordance with the provisions of the USS.

Further particulars and application forms are available from the Deputy Academic Registrars Office, The City University, Northampton Square, London EC1V 0HB. Tel: (01) 253 4399 Ex. 338. Ref. No. C.U.B.S./257.

Closing date for applications—April 14, 1980.

Young Assistant Controller

Newly-Qualified ACA To £9,500 + Car

This appointment is clearly an ideal first commercial opportunity for a newly-qualified A.C.A., for whom the time is right to leave the Profession.

It is with a £40m. sub-group of a public engineering company, which has interests throughout the world, and results from the promotion of the present incumbent after 18 months.

Based in South East London and reporting directly to the Finance Director, you will be responsible for efficient resource management, particularly of cashflow, for the provision of monthly accounts and reports, for annual budgets and three year plans, and for a variety of unpredictable assignments geared to improving financial performance. Computer models are currently being developed.

Some limited overseas travel may be involved and the package offered indicates both the immediate importance and future prospects of the appointment.

Please contact Peter Wilson, F.C.A., in strict confidence, at Management Appointments Limited (Recruitment Consultants), Albemarle House, 1 Albemarle Street, London W.1. Tel: 01-499 4879.

Management Appointments Limited

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£7-11,000+car Outer London (Bucks)

A small firm of Chartered Accountants, based in pleasant rural surroundings with a wide and interesting range of clients throughout the UK now requires someone to run a small team handling corporate and personal taxation.

Candidates (men or women) must have good tax experience, gained in the profession or Revenue. An attractive salary will be negotiated according to experience.

Please apply by telephoning 01-242 5775 or writing to:

Career plan Limited
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Sir Timothy Hoare
Career Plan Ltd.
Chichester House
Chichester Rents
London WC2A 1EG

INTERNATIONAL INVESTMENT

Major non-U.K. international investment oragnisation seeks investment assistant for unusually interesting appointment in London. Age 26-29 years. A good degree with about five years' experience of international stockmarkets (particularly North American) are required. Personal history, including details of earnings and responsibilities, which will be treated in strict confidence to

Box A.7081, Financial Times, 10, Cannon Street, EC4P 4BY.

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Due to a change within the organisation of the Bank, a number of vacancies exist for graduates recently trained in bank Credit Analysis, who are on the inside track and impatient to develop their careers rapidly in a truly international investment bank with capital of over £50 million and total assets in excess of £1 billion.

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Our Client is a very large British Group which as a manufacturer and contractor is a powerful and competitive force on a worldwide basis in a number of major industrial sectors.

They wish to appoint a Graduate Accountant aged about 30 who sees the accounting discipline as a starting point for financial management in a very positive sense.

The role will be as a senior member of a small Group Financial Analysis team responsible for working to Main Board Level and alongside top management in operating companies on the analysis and review of major product, price and capacity proposals; strategic plans; acquisitions and divestments and the review (not consolidation) of subsidiaries' operating performance.

Experience should include a minimum of 5 years in manufacturing industry with some exposure at plant level.

The successful applicant will be expected to graduate to a senior line financial or general management position, either at an operating company or H/Q. The ambition and ability to take advantage of this progression is an important requirement.

Location – Central London.

Please write in confidence to B. H. Mason at 78 Wigmore Street, London W1H 9DQ, showing clearly how you meet these requirements, quoting reference 6002/FT. Both men and women may apply.

John Courtis and Partners

Institutional Salesman

Wood, Mackenzie & Co's international oil and pharmaceutical marketing team in London have a vacancy for an ambitious, energetic salesman, probably in his/her mid 20's. Experience of stockbroking and the pharmaceutical industry would be an advantage but not essential.

Salary is negotiable and fully competitive. The total remuneration includes a profit sharing bonus. The firm operates a contributory pension scheme.

For further details please contact Robert Norbury at:

Wood, Mackenzie & Co., 62/63 Threadneedle Street, London EC2R 8HP. Tel. 01-600 3600.

WM

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The job:
As well as deputising for the Manager Finance, the successful candidate will be directly responsible for the day-to-day running of the Finance Department; completion of final accounts; budget preparation and control; production of statistics, and long term planning. Additionally, there will be involvement with economic forecasting, financial modelling, taxation, internal audit and development of accounting systems.

The rewards:
In addition to the salary offered, there is a non-contributory pension scheme; BUPA membership; and a house purchase scheme.
Applications, including personal and career details, should be sent to:

**The General Manager,
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100, Lower Thames Street, London EC3R 6AQ.**

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Based in Edinburgh, this is seen as a developing opportunity with the successful candidate taking on full responsibility for a complete investment and advisory service to private businesses and commercial organisations.

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The salary on offer reflects the seniority of the position and all other benefits will be in line with those normally expected of a major progressive organisation.

Please send a concise C.V., quoting Ref. R51270 to:
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Confidential Reply Service.
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Dalnair House,
Croftamie.
Glasgow G63 0EZ.

All letters will be opened, acknowledged and forwarded to our client. Please list separately any companies to which your application should not be sent.

All applications should be submitted within 14 days of the appearance of this advertisement.

Market Analyst

Petrochemical and Oil Industries

If you are an experienced Market Researcher with a degree or equivalent, knowledge of the Petro-chemical and Oil Industries, then this could be the opportunity for you.

Foster Wheeler need a positive and independent thinker to join a small but busy team. You must be literate, articulate and prepared for involvement at the most senior level within the Company.

Together with other responsibilities, you will prepare regular marketing reports and your advice and observations will have a real influence on our future marketing policy.

Salary is negotiable and Relocation Assistance is available where appropriate. General benefits are those you would expect from *a major international* company.

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FW Foster Wheeler

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to £13,000

Leading Life Assurance Company seeks a Portfolio Manager whose principal responsibility will be to provide a high quality investment management service to Trustees of Pension Funds. Candidates will probably be Honours Graduates or professionally qualified. Preferred age 30-35.

An appropriate track record with a relevant financial institution is essential and candidates must be personable and able to obtain the confidence of new and existing clients. Salary negotiable to £13,000 plus assisted House Purchase Scheme and other significant benefits. (ES.272)

Candidates male or female should write briefly and in confidence to the Managing Director, Executive Appointments Limited, 18 Grosvenor Street, London W.1, quoting reference. No identities divulged without permission.

A MAJOR CITY FINANCIAL INSTITUTION

REQUIRES

THREE INVESTMENT ANALYSTS

ONE FOR NORTH AMERICAN PORTFOLIOS
ONE FOR EUROPEAN PORTFOLIOS
ONE FOR JAPANESE AND FAR EAST PORTFOLIOS

RESPONSIBILITIES will include research into and analysis of economies, industries and companies in these areas in which the institution has substantial portfolio investments.

APPLICANTS should have not less than 3 years' relevant experience of investment analysis in at least one of the areas. The analyst for the Continental portfolios will be expected to speak good French and/or German.

Generous salary and fringe benefits depending upon age and experience.

Applications, enclosing a curriculum vitae, which will be treated in strict confidence, should be sent to:

Box A.7078, Financial Times, 10 Cannon Street, EC4P 4BY

INTERNATIONAL MERCHANT BANK

EUROBOND SALES

The Royal Bank of Canada (London) Limited is looking for personnel to join its Eurobond Department.

One or more candidates are being sought, whose role will be to develop and maintain relationships with private and institutional clients located around the world.

Candidates must have gained at least 3 years' proven experience in the fixed interest markets, either sales, or in portfolio management. Salary is negotiable with the usual Bank fringe benefits.

Please write in the first instance, giving full details of qualifications and experience to:

**The Personnel Manager
The Royal Bank of Canada (London) Limited
107 Cheapside
London EC2V 6DT**

All replies will be treated in confidence

Corporate Finance

South Africa

Hill Samuel Group (S.A.) Limited, a subsidiary of Hill Samuel & Co. Limited, wishes to appoint an Executive to assist in providing the full range of corporate financial advice for its clients, including issues, mergers, and takeovers.

Applicants, in their late twenties, should have gained several years' relevant experience, ideally in a corporate finance department of a UK Merchant Bank.

The successful applicant will join the company in Johannesburg for a minimum of four years, after which further career progress will depend partly on the individual's own record of achievements and partly on opportunities that there might be elsewhere in the Group.

Initial interviews will be carried out in London, during March, and it is hoped that the appointment will be made when a Director of HSG (S.A.) visits the UK week beginning 24 March.

Please send curriculum vitae, in complete *confidence, to:*– R. C. G. Gardner.
Hill Samuel & Co. Limited,
100 Wood Street, London, E.C.2.

HS

Jonathan Wren · Banking Appointments
The personnel consultancy dealing exclusively with the banking profession

Career Openings in Belgium

Our client is a substantial service organisation located in a pleasant Belgian province within 40 miles of Brussels.

As a result of expanding international business, two additional Junior Executives are required to fill progressive career appointments with the company. Candidates for these appointments should possess English as mother tongue and be able to speak French.

The first function will involve the analysis of U.K trading companies and the provision of credit limits. Candidates, ideally aged 28, should have some experience in credit analysis with a background in banking.

The person appointed to the other position will be engaged in administration of the Company's business with English-speaking clients. A commercial background would be ideal in this appointment and candidates will preferably be aged about 25.

People who are interested in the possibility of relocating to Belgium are invited to contact us for interview. Candidates will have the *opportunity of visiting the company's offices prior to confirmation of* appointment.

Please telephone, or send a detailed Curriculum Vitae to, Ken Anderson, Director

First floor–entrance New Street
170 Bishopsgate London EC2M 4LX 01-623 1266

C&L

Amsterdam **to £15,000**

C.A. FOR EUROPE

Mid Twenties?

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The Role To join a small corporate head office team servicing the European operating subsidiaries on all corporate matters. Working closely with the Managing Director the main areas of emphasis will be tax planning, cash management, and the preparation and prompt submission of monthly management reports to the U.S. There will be an opportunity to travel within Europe and there is a possibility of investigation work into potential acquisitions.

The Candidate Probably still in the profession, with one of the large international accounting firms. Keen to learn and seeing this move as an ideal training ground for the next step in his or her career and a chance to work in Europe. Flexibility and a lively and practical approach are essential.

Résumés including a daytime telephone number to J. G. Cameron, Executive Selection Division, Ref. CF225.

COOPERS & LYBRAND ASSOCIATES LTD.

Management Consultants

Shelley House, 3 Noble Street, London, EC2V 7DQ.

Managing Director

Textiles **South Africa**

One of South Africa's major textile companies requires a Managing Director. This is an attractive proposition for a man, probably in his forties, who can demonstrate an outstanding track record *at general manager level in a large integrated textiles company. He must have a* thorough technical knowledge of woven textiles, together with a good marketing background and leadership qualities and an aptitude for strategic planning.

This is a key appointment and our clients are reasonably open-minded about the salary level. The position carries membership of a top hat pension scheme; relocation expenses will be repaid, and a house will be provided, together with the use of a prestige car.

Completed personal history forms will be screened in confidence by P-E in South Africa but interviews will be conducted in London.

Please write to Stewart Mitchell or telephone (24-hour answering service) for a personal history form quoting reference M/240/7.

The P-E Consulting Group Appointments Division PE

1 Albemarle Street, London W1X 3HF Tel: 01-499 1948

FIELDING NEWSON-SMITH & CO.

CORPORATE FINANCE

The expanding department is seeking a senior executive experienced in all aspects of corporate finance. The successful applicant will probably be aged under 35 and hold a professional qualification in Law, Accountancy or Secretaryship.

The position carries excellent career prospects. Remuneration, which will be based on qualifications and experience, will consist of salary plus a share of profits.

Applications, which will be treated in the strictest confidence, should be sent with a curriculum vitae to:

The Managing Partner
FIELDING, NEWSON-SMITH & CO.
31 Gresham Street, London EC2V 7DX

Banking Appointments

Asst. Mgr.—Doc. Credits. Early 20s. £5,500-£5,700 for major Intl. Bank. Middle East market exp. preferred. Resp. for Dept. in absence of Manager. Also Commercial Credits—2nd Checker 21-ish. 1-2 years' exp., c. £5,000, for leading U.S. Bank.

V.P.N. EMPLOYMENTS

01- 283 6022 & 9418

Qualified Accountants

... gain a valuable business background
... and challenging future prospects with a chemicals world leader

For young Accountants, the combination of your professional qualification or degree with the insight into multi-national business and accounting management that our training will give you, will place you in the best position to take advantage of later career prospects that are opening up all the time with the growth of Du Pont business, both in the UK and world-wide.

Your professional acumen must be accompanied by a flexibility and openness of mind to take on the variety of tasks you will be handling during your training – plus the initiative and 'self-starter' qualities that mark out young professionals going places.

With a turnover in excess of £200m and several sites in the UK, this opportunity offers variety, domestic travel and an in-depth understanding of the business and accounting activities of part of one of the world's largest chemical companies.

Salary will be negotiated to attract and retain top-calibre young professionals and other large-company benefits apply.

For an informal discussion and further information, please phone Ron Robinson, Accounting Manager, on 01-242 9044, ext. 413, otherwise send a detailed c.v., quoting ref. B.452, to: ASL Recruitment Advertising, 17 Stratton Street, London W1X 6DB. Tel: 01-629 1844 (24 hour answering service).

DU PONT

REUTERS

Assistant Market Manager

Reuters is the leading supplier of news, information, and dealing services to the business community, including the commodity, broking, banking and shipping markets, using one of the world's largest computerised communications networks.

We have an opening in our marketing department for an assistant to the market managers involving analytical, statistical, administrative and research tasks related to developments in both existing and new markets.

Knowledge of the financial markets and the potential impact of computers, communications and information services on trading in the 80's is important. Candidates should be in their mid-twenties, have a degree, and be qualified in marketing or business management.

They must be numerate, articulate and able to write clear, concise reports.

We offer an international career with good opportunities for promotion in an exceptional growth business. An excellent salary is offered plus other benefits commensurate with a large international company.

For an informal discussion telephone Jack Wigan, on 01-353 6060 or write to,

Recruitment Manager
REUTERS
85 Fleet Street London EC4P 4AJ.
This position is open to men and women.

FINANCIAL DIRECTOR

INDUSTRIAL MANUFACTURER WITH OVERSEAS SUBSIDIARIES

MAJOR U.K. PARENT

North London **c.£14,000 + Car + exec. bens**

Internal promotion within the parent Group has created the need to fill a key financial role in an autonomous multi plant company with strong overseas affiliations. As top Financial Manager you will evaluate performance, manage financial functions and advise the MD and the Board on the development of the business.

Our Client: An autonomous subsidiary of one of Britain's largest and more successful engineering companies. Formed 3 years ago from a merger of individual units in the fluid handling field, there are several UK and overseas manufacturing plants. Total turnover approaches £20 million and export business is healthy. Products are vital to most processes, plant and equipment and sales are planned to treble by 1985. The Company is profitable with a good ROCE.

Your Opportunity: Reporting to the Chief Executive, you will assume control of a Department of 60 and further develop all Company financial management functions. You will • manage company finance • evaluate performance • provide monthly management information • undertake financial planning and budgeting • effect consolidations • *improve EDP • analyse business activities and improve efficiency.*

The Ideal Candidate will be a highly qualified Accountant aged 35-40 with a wealth of practical experience and highly developed skills in • Financial Management and Cost Accounting • Computer Applications • Corporate Planning and Budgeting. The attibutes sought are • Creativity • Innovation • Marketing exposure • Resourcefulness in managing people • Capacity to work alongside a dynamic Chief Executive • ability to think as *a businessman. A knowledge of and feeling for light/medium engineering is highly desirable.*

Your Rewards: A competitive basic salary + company car + usual executive fringe benefits + 4 weeks holiday. Ample opportunity for promotion with the parent Group.

ACT NOW! Write or telephone (in the strictest confidence) to the Company's adviser, DAVID BURNS, B.Sc.(Eng); C.Eng; M.I.Mech.E. (Director) on 01-388 2051 (or 01-382 2055 24 hr. Ansaphone). *Quote Ref. 386.*

This appointment is open to both male and female applicants.

M MERTON ASSOCIATES (CONSULTANTS) LIMITED
Merton House, 70 Grafton Way, London W1P 5LN
Executive Search and Management Consultants

Financial Controller

c.£10,500 + car **City Limits**

Our client, a major producer of delicatessen and other food products, wishes to appoint a Financial Controller to provide the Board with accurate and timely management information. This is a new appointment and essential duties include:

* co-ordination and preparation of budgets
* *production of financial accounts*
* assistance with cost and price calculations

Candidates, men or women, should be qualified accountants in their 30's. They should have had previous experience in industry and be used to working with a computerised accounting system. Previous responsibility *for a small staff would also be useful, as would* employment in the fresh food industry.

Starting salary is around £10,500 and a company car is provided. Other benefits include a contributory pension scheme.

Please write or telephone for a job specification and *application form, quoting ref. 1283:*

bhf Anne Knell,
Binder Hamlyn Fry & Co.,
Management Consultants,
227/228 Strand,
London WC2R 1BZ.
Tel: 01-353 5171.

Glaxo Holdings Limited

Management/ Financial Planning Accountants

up to £11,000

Glaxo Holdings is the parent company of a leading international group, with a turnover exceeding £500m, which conducts research and develops, manufactures and markets a wide range of pharmaceuticals, food and surgical and hospital equipment. We are looking for two young Chartered Accountants to join a small, highly qualified team based in the West End and responsible for all Group accounting and financial planning matters.

One position is in Management Reporting which organises, prepares and interprets the periodic results of the Group. The other is in Financial Planning, working on the Group's budgets and forward plans. *Both positions involve producing results of* high quality to tight deadlines. As part of a career development plan initial responsibilities will be extended to allow involvement in the other activities of the Department which, as well as these two main areas, include published accounts, systems development and general financial projects arising from the mainstream activities.

Much emphasis and reliance is placed on the accumulation and preparation of information using some of the most advanced computer hardware and software systems. Substantial developments are under way on these applications and the positions offer good opportunities to gain extensive experience in these areas.

Candidates should be graduate Chartered Accountants, either recently qualified or with up to three years' post-qualification experience. Some of this time should have been spent with one of the leading professional firms of accountants. As these are career appointments, the people we are seeking must see their future development within a large *international organisation.*

The total remuneration package will depend on ability and experience. Benefits are those normally associated with a large international company and may include assistance with relocation expenses where appropriate. Please write with brief personal and career details to P.A. Drew, Personnel Manager, Clarges House, 6-12 Clarges St., London W1Y 8DH.

Banking Loans Executive for City merchant bank

With the expansion of Robert Fleming's commercial banking business there is a requirement for an additional banking department executive.

The successful applicant will probably, but not necessarily, be in his/her middle or late 20's with merchant banking or commercial experience. An accountancy or legal qualification would be a distinct advantage, although practical experience gained will be a prime consideration.

A competitive salary with worthwhile benefits will be offered. Apply in writing enclosing curriculum vitae to:–

C.M. Moore, Esq., Banking Department, Robert Fleming & Co. Limited, 8 Crosby Square, London EC3A 6AN. Tel: 01-638 5858.

ROBERT FLEMING

YOUNG— AMBITIOUS

A large International Investment Banking/Broking House, based in London, with an extensive network of overseas offices, is seeking young ambitious, innovative, career-minded Operations Personnel. A willingness to relocation outside the United Kingdom at some time in the future will be a prerequisite of acceptance.

If you think you fall into this category, have at least three years' experience in Banking/Broking operations, or hold a University degree in Business Studies or Management and would enjoy working as part of a young, dynamic and dedicated team, we would like to meet you.

Salary will be commensurate with experience and potential. Please write in strict confidence giving full but concise details of age and career history to:

Box A.7086, Financial Times
10 Cannon Street, EC4P 4BY

Taxation and Rating Manager

London **Finance Division** c.£14,000

British Gas invite applications from suitably qualified men and women for the above position in the Treasurer's Department of the Finance Division at their Headquarters in Holborn.

The successful applicant will be responsible for dealing with all aspects of taxation including the co-ordination of V.A.T. as it applies to the Industry's transactions, and for all rating aspects covered by the special formula basis of rating applicable to the Corporation.

Further responsibilities include advising on the implications of new and existing U.K. and foreign tax legislation in relation to the Corporation's trading operations and to its employees and for negotiating with the Inland Revenue and H.M. Customs and Excise in the settlement of the Corporation's tax liabilities.

Applicants must be professionally qualified accountants with specialist experience in taxation and have a sound knowledge of taxation law and practice. Ability to interpret new and complex legislations is essential together with the ability to communicate at all levels.

Starting salary will be around £14,000 per annum together with all the benefits normally associated with a large progressive organisation.

Please write giving full details of age, qualifications, experience and current salary, quoting reference F/001001(002)/FT to the Personnel Controller, British Gas, 59 Bryanston Street, London W1A 2AZ. Closing date for applications 22nd March 1980.

BRITISH GAS

ap **Senior Appointments**

FINANCIAL ACCOUNTANT

North West London **£8,500 + Benefits**

The North West London based division of an International manufacturing company offers an outstanding opportunity to a young qualified accountant. Reporting to the controller, initial responsibility will be for monthly management and year-end statutory accounts, cash flow projections and budgetary control.

The installation of a new I.B.M. computer, recruitment of an E.D.P. manager and recent approval of a very substantial capital investment programme makes this an exciting appointment.

Apply in confidence to Mark Lockett or Ian Crichton.

ACCOUNTANCY PERSONNEL SENIOR APPOINTMENTS
41 London Wall, London EC2M 5TB · 01-588 5105

Financial Controller

London **c £10,000 + Car**

Medium sized distribution Company seeks a Financial Controller to take full responsibility for the financial, accounting and administration functions.

Applicants, male or female, in the 28-46 age group will be qualified accountants with some experience in computerised accounting systems. The salary and fringe benefits reflect the high personal qualities required for this senior Management appointment. Apply in writing to the General Manager, quoting Reference SM/MJ/382.

Guy Redmayne & Partners, Recruitment Consultants,
18 Grosvenor Street, London W1X 9FD
(No identities divulged without permission)

Guy Redmayne & Partners

Jonathan Wren: Banking Appointments

The personnel consultancy dealing exclusively with the banking profession

NORTH AMERICAN INVESTMENT DEALER

A major North American Investment Dealer plans to expand its activity throughout Europe from its City office. It seeks an experienced Institutional Investment Representative, ideally aged 28 or above, to complement its North American equities department. It is envisaged that the successful applicant will be appointed Departmental Manager in due course.

The company has established UK and continental clients and the successful candidate will have the *responsibility of continuing* and *developing* this business. A working knowledge of French and/or German would be an asset. Salary $40,000+profit sharing and benefits.

contact RICHARD MEREDITH on 623-1266

First floor · entrance New Street
170 Bishopsgate London EC2M 4LX 01-623 1266

THE CITY UNIVERSITY,

ESMEE FAIRBAIRN CHAIR OF FINANCE AND INVESTMENT

Applications are invited for the new Chair which has been established in the City University Business School by the generosity of the Esmee Fairbairn Trust. The holder of the Chair will be the Head of the Finance Division of the School and will be responsible for research and teaching in finance and investment.

The salary will be in the range for professional posts and there will be a London Allowance of £740 per annum.

Further particulars may be obtained from the Academic Registrar, The City University, Northampton Square, London EC1V 0HB. The closing date will be: 28th March, 1980. Please quote ref: FT.

هكذا من الأصل

JOB OPPORTUNITY IN SAUDI ARABIA

JOB OPPORTUNITY IN SAUDI ARABIA FOR SPECIALISTS AND ADVISORS IN THE FOLLOWING FIELDS:

LAW, FINANCE, ADMINISTRATION, ENGINEERING, PUBLIC HEALTH AND HOSPITAL ADMINISTRATION.

MINIMUM QUALIFICATIONS REQUIRED:

MASTERS DEGREE AND MORE THAN FIVE YEARS EXPERIENCE

KNOWLEDGE OF ARABIC PREFERED.

SALARY RANGE OF 40,000 TO 60,000 DOLLARS YEARLY.

BENEFITS:

FURNISHED ACCOMMODATIONS, PRIVATE CAR, PAID LEAVE FOR 45 DAYS EACH YEAR. ROUND TRIP TICKETS, FREE MEDICAL SERVICES.

NO TAXES ON PERSONAL INCOME IN SAUDI ARABIA.

INTERESTED SEND RESUME TO

P.O.BOX 6818, RIYADH, SAUDI ARABIA.

MERCHANT BANKING

£7,000—£15,000

A number of our clients, including leading Merchant Banks and members of the Accepting Houses Committee, seek recently qualified Graduate Chartered Accountants, Commercial Lawyers and Bankers with at least one year's experience.

These opportunities are mainly in the Corporate Banking or Corporate Finance Departments but other openings exist in Shipping, Leasing, Property Analysis, Euro-bonds or Investment. First rate applicants with a good academic record are essential for these positions.

Please write or telephone:

T. C. H. Macafee,
Beresford Associates Limited,
Cross Keys House,
56, Moorgate,
London EC2R 6EL.
Telephone: 01-628 7546/7

Senior Lending Officer

Shipping Specialist

Bank of America NT and SA is seeking one or more experienced international bankers to join its London Shipping Section engaged in handling an expanding portfolio of major account relationships with some of the world's largest shipping companies, based in the UK and Europe.

Applicants, graduates aged 25-35, must have at least 3 years' banking experience dealing with the shipping industry. They must also possess strong credit analysis, business development and communication skills. A knowledge of languages would be an asset.

Excellent career opportunities exist in the Bank's international operations. Attractive starting salaries will be commensurate with qualifications and experience, and fringe benefits are in line with best international banking practice.

Write, in strictest confidence, with full personal, career and salary details to A.J. Tucker, Recruitment Officer, Bank of America NT & SA, 25 Cannon Street, London EC4P 4HN.

BANK OF AMERICA

Finance Director

for the small chemical subsidiary of a major British-owned, publicly quoted, international group. They manufacture and sell products for the motor accessory and DIY markets and have a turnover in excess of £2 million.

The responsibility will be for all accounting, company secretarial work and administration. Key areas will be management accounts, product costing and optimal use of a new computer. There will be an increasing involvement in the broader commercial affairs of the company.

He or she should be aged 30-35, a qualified Accountant, with experience in both production and marketing environments and computers, have a strong commercial approach and be empathetic with the workings of a smaller business.

Salary will be around £12,000 plus car and relocation expenses, if appropriate, to the company's West London head office.

Please telephone for an application form or write in complete confidence to David Thompson, who is advising on this appointment; in either case quoting reference 1099.

Odgers MANAGEMENT CONSULTANTS
Odgers and Co Ltd, One Old Bond St, London W1X 3TD 01-499 8811

INVESTMENT PORTFOLIO MANAGEMENT

GULF LOCATION

We are a growing equity-oriented investment company located in the Gulf and are seeking qualified individuals to fill the following positions. Advanced degree in economics or finance required for both positions.

Equity Portfolio Manager—Minimum of five years' experience managing U.S., UK and European equities. Recent experience must include work at managerial level. Compensation package will provide a tax-free salary in the £25,000 to £30,000 range with commensurate fringe benefits.

Investment Analyst—Minimum of three to five years' experience handling U.S., UK and international equities. Compensation package will provide a tax-free salary in the £12,000 to £15,000 range with commensurate fringe benefits.

If you feel your career could benefit by a foreign posting and you would like the challenge of joining our growing team we encourage you to send your curriculum vitae to us without delay. Respond to:

Box A.7079, Financial Times
10 Cannon Street, EC4P 4BY

MAJOR U.K. GROUP
FINANCIAL CONTROLLER

International Operations

London **c.£10,000+car**

Our client is a major U.K. Group involved in diverse activities and with a sustained record of growth. They now wish to recruit a Financial Controller, as part of the Group Finance team, but with specific responsibilities for international operations. The successful candidate will be required to provide an effective finance and management information service including strategic planning, taxation, system improvements and treasury.

Candidates should be qualified accountants, aged 26-32, preferably with some industrial or commercial experience. A high level of maturity, enthusiasm and ambition is also required and prospects are good throughout the Group. There will also be the opportunity for some overseas travel.

For further information and a personal history form please contact Brian Marren, B.A., or Ian Tomisson, 410 Strand, London WC2R 0NS, tel: 01-836 9501, quoting ref: 2790.

DOUGLAS LLAMBIAS
Douglas Llambias Associates Ltd.
Accountancy and Management Recruitment Consultants
and at 26 West Nile Street, Glasgow G1 2PF (041-226 3101)
3 Coates Place, Edinburgh EH3 7AA (031-225 7744)

INTERNATIONAL BANKING

Investment Analyst
Age 25-32 c. £9,000
To concentrate on UK equities. Must be fully experienced.

Loans Admin.
Age 24-28 c. £8,000
For small Merchant Bank. Minimum of 4 years' experience.

Internal Auditor
Age 23-27 c. £7,500
For City International Bank. European languages an advantage.

F/X Dealer
Age 24-28 to £10,000
For active Consortium Bank. Minimum of 3 years' experience.

Eurobond Setts.
Age 22-25 c. £6,000
For dynamic Int. Merchant Bank. Minimum of 2 years' experience.

For more details of the above positions and the many more we are currently handling, please telephone, in the strictest confidence, Brian Durham or Trevor Williams.

BANKING PERSONNEL
41/42 London Wall · London EC2 · Telephone: 01-588 0781
(RECRUITMENT CONSULTANTS)

Business Analysis Corporate Planning

C. London **c. £10,500**

The financial planning department of this dynamic US owned company currently seeks a further Business Analyst following internal promotion.

Accurate financial planning and analysis guarantees the success of this worldwide high technology organisation. You will be responsible for the establishment of management planning requirements and strategy, based on data from operating companies, for presentation to senior business executives. Sophisticated computer modelling techniques are utilised to improve the quality of information produced. Some travel overseas may be involved.

You should be a young numerate graduate with financial analysis/corporate planning experience in an international environment using computers for planning purposes.

A practical, inquisitive approach to problem solving is essential in this demanding role.

The Group offers excellent promotional prospects. Please telephone or write quoting Ref. RG3222.

Lloyd Chapman Associates
123 New Bond Street, London W1Y 0HR 01-499 7761

Business Analysis & Strategy

Merchant Banking

J. Henry Schroder Wagg & Co. Limited wishes to expand its thriving Business Analysis and Strategy Group.

This Group was created about two years ago to give strategic economic, financial and business advice to corporate clients. The advice is tailored to the specific requirements of the client and is supplied on a confidential basis.

Candidates should be aged between 27 and 30, have a good first degree and, ideally, an M.B.A., accountancy qualification or other numerate post-graduate degree. They should, in addition, have had at least 2-3 years' experience in industry or commerce. Alternatively, longer experience in industry or management consulting would be relevant. Familiarity with the use of computers would be an advantage.

Salary is negotiable according to experience but will be fully competitive. Benefits include a non-contributory pension and life assurance scheme and a house mortgage subsidy scheme.

For the right candidate the prospects for promotion are excellent.

Please reply with full curriculum vitae to:

Mr. John R. Lambert,
J. HENRY SCHRODER WAGG & CO. LIMITED,
120 Cheapside, London EC2V 6DS.

SCHRODERS

YOUNG BROKERS

CIRCA £20,000 INCLUDING BONUS

We are the largest private Commodity and Metal Broking company in the City. Expansion of our business calls for the appointment of the following individuals:—

1. Two Commodity Brokers to join the futures trading desk.
2. A Marketing Executive to join a successful team promoting the Company's products and services.

QUALIFICATIONS

★ Direct Commodity Trading experience in the Softs or Metals Department of an established Commission House.

OR

★ Moneybroking or Stockbroking experience. If the latter, private client exposure preferable.

Qualified individuals to write with detailed curriculum vitae to Box A.7090, Financial Times, 10 Cannon Street, EC4P 4BY

TREASURER-LEASING

Thames Valley **to c.£15,000+car**

GENERAL MANAGEMENT POTENTIAL

The rapid growth of the UK operation of an international service company has brought about the need to strengthen the management team.

We are looking for a commercially aware, qualified Accountant or Banker, 30/40, and ideally a graduate, with practical experience in large scale funding acquired, perhaps, with another leasing company, finance house, merchant bank or manufacturer of capital goods.

In addition to maintaining tight control over cash resources and liaison with lending bankers, you will be responsible for credit management including risk assessment and the formulation of leasing rates and agreements. For someone of demonstrable ability there are real prospects of promotion in the medium term.

Please telephone for an application form, quoting reference 690

Management Personnel
Recruitment Selection & Advertising Consultants
York House Chertsey Street Guildford Surrey
GUILDFORD (0483) 64857

Internal Audit

c£9,500

International Container Transport

Overseas Containers Limited, a world leader in international container transport with a turnover in excess of £350m., is now seeking a qualified accountant to be in at the start of the development of a successful internal audit function to eventually cover all aspects of the activities in this major Company. Some travel, initially within the U.K., would be involved.

Applicants should have had audit experience either in a professional firm or a large commercial concern.

Contact Mrs Irene Pearce on 01-488 1313 ext. 214 for further details and an application form, or write to Overseas Containers Limited, Beagle House, Braham Street, London E1 8EP.

OCL
The International Trade Mark

Financial Controller

For Boddingtons' Breweries Limited at Manchester, a public company with one of the best growth records in the country's brewing industry. The Financial Controller will report to the Chairman and have a seat on the Company's Management Board. He or she, will be responsible for the management of the Accounts Department and for its continuing modernisation and development.

Starting salary is negotiable around £12,000 p.a. with excellent pension scheme, car and other benefits.

Candidates, ideally in their early 30's, must be Chartered Accountants who already have accounting management experience in a manufacturing company, preferably concerned with fast moving consumer goods. They must be familiar with EDP and conversant with modern costing and financial control disciplines. Given success a progressively rewarding career may be expected.

Please write in confidence to H. C. Holmes, Bull, Holmes (Management) Ltd., 45 Albemarle Street, London W1X 3FE.

Bull Holmes
PERSONNEL ADVISERS

FINANCIAL CONTROLLER

London **c. £12,500 + car**

Burmah Oil Tankers Limited, part of the Burmah Group, operates a crude oil tanker fleet and a major crude oil trans-shipment *terminal in the Bahamas.* A Financial Controller is required to help establish a small financial unit which will be an integral part of the business management function. The person appointed will be part of a professional and highly motivated management team.

Reporting to the Finance Manager, your prime task is to lead a small department responsible for all aspects of the financial accounting for a tanker fleet and its associated marine business including control of receipts and payments, the monthly determination of financial results and voyage costs, cash and currency management and short-term cash forecasting.

A professionally qualified accountant, preferably a graduate aged 30-40, you have a minimum of 10 years' post-qualification financial experience and have managed, at a senior level, a financial accounting unit preferably in a shipping environment. You must be conversant with the disciplines and techniques for EDP operations and *applications to financial systems.*

Personal qualities must combine a high standard of technical knowledge with the ability to innovate and a capability of working to tight deadlines. Good human relations and communications skills are essential as is the ability to motivate and influence others.

Success in this role could lead to career advancement within the Burmah Group.

Initially located in the City, there are plans to move this office later this year to the Knightsbridge area.

Terms and conditions of employment are attractive and include a negotiable salary, company car, non-contributory pension and BUPA benefits.

Please send a full CV or ring or write for an application form to D.G. Freeston, Recruitment Manager, Burmah Oil Trading Limited, Burmah House, Pipers Way, Swindon, Wilts. SN3 1RE. Telephone: 0793 47400.

Burmah

INVESTMENT CLERK

Good prospects exist for someone aged 19-24 with a couple of years' clerical experience, preferably in Stockbroking (Settlements) or similar work to assist with the Settlement and Bookkeeping of The London Life Investment Funds. Salary negotiable together with excellent benefits including non-contributory Pension Scheme, free lunches, flexible hours and House Purchase Scheme.

Interested, if so, please send details to:

Personnel Manager, Personnel Dept., The London Life Association Ltd., 81 King William St., London EC4N 7BD.

STOCKBROKING OPPORTUNITY

Opening available for member to join small London stockbroking partnership. Applicants (age 25-45) should have substantial personal business, research ability and willingness to become fully involved in daily running of the business.

Please write in complete confidence with full information to:

I. W. Frazer,
Frazer Whiting and Co.,
City Gate House,
Finsbury Square, London, E.C.2.
(01-588 0301)

Names will only be disclosed to our principals with the applicant's permission.

SOLICITOR — MIDDLE EAST

GROWING AMERICAN LAW FIRM

with offices in the Lower Gulf (not Saudi Arabia)

requires a qualified Solicitor, 2-3 years' corporate and banking experience, preferably single. Two to three-year commitment. Usual leave and other benefits.

Write Box A7088, Financial Times, 10 Cannon Street, EC4P 4BY.

Our European financial operations need added management strength

J I Case, a multi-national organisation manufacturing and marketing a wide range of construction, earth-moving and agricultural equipment, has recently moved its European Headquarters from the Netherlands to Weybridge in Surrey. This, coupled with the reorganisation of our European Finance Department means that we have two senior management opportunities. The activities of our Finance Department are concerned mainly with wholesale and retail financing and long and short-term borrowing for our European subsidiaries. These positions offer wide financial management experience plus some opportunity for European travel.

Budget and Analysis Supervisor

This is an interesting opportunity for a fully qualified accountant with some post qualification experience, who wishes to expand their knowledge in the financial area and is ready to take on greater responsibilities.

Your most important functions would include the co-ordination and consolidation of yearly budgets, the analysis of capital expenditure project, profitability studies within specified operational areas, the review of local performance information, the monitoring of yearly forecasts, detailed studies concerning the performance of our retail outlets throughout Europe and some ad-hoc work.

The ability to liaise with others and work with management up to the highest level is important. And as some European travel will be involved it is desirable that you understand at least one European language.

Credit Supervisor

Your main function would be to review and evaluate the effectiveness of the credit operations within the Case European manufacturing and finance subsidiaries, marketing companies, and company stores ensuring their credit is handled in accordance with company policy and payments are made within scheduled time-scales. We shall also be looking to you to improve our systems of control over trade credit with a view to streamlining our procedures. An ability to devise and implement training programmes for Credit Managers will be a distinct advantage.

We shall be looking as much for potential as ability for it is expected that you will either move up within the Headquarters organisation or on to a more senior position in one of our operating companies, within the next two years.

Freedom to travel is essential as you will *spend more than half your time abroad.*

The salaries offered will attract financial managers looking for an opportunity to prove they have the ability to meet the challenge of a growing organisation with world-wide commitments.

We offer a generous benefits package which includes (in appropriate cases) relocation expenses.

For further details please write giving full personal and career particulars to Mrs. M. C. Husby, Manager, Employee Relations, J. I. *Case (Europe) Inc., Case House, 45-47 Monument Hill,* Weybridge, Surrey KT13 8RL.

case

MEMOREX

Memorex is a world-wide high growth, high technology information storage and communication company. As international leaders in our field, no other independent supplier can match our broad range of products. We offer our employees a secure and rewarding career.

Senior Financial Analyst —Measurements and Analysis

Due to internal promotion, European Headquarters require an Analyst, probably aged around 30, who is looking for career progression and is highly motivated towards advancement to senior management level.

Candidates, ACA or MBA, should have a minimum of 3 years' post-qualification experience, including financial analysis, preferably within a multi-national group. Experience in the computer industry would be an added advantage.

Responsible for the analysis of results of European subsidiaries and recommendations on potential profit improvement areas, the Analyst will be involved in all aspects of financial and management reporting activities and will also undertake special projects. Travel will not exceed 25%.

We offer an attractive salary and excellent benefits including Company pension scheme, free life assurance and BUPA cover.

Write with personal history, or alternatively phone for further information and application form, to Helen Smith, Memorex Europe Limited, Hounslow House, 730 London Road, Hounslow, Middlesex TW3 1PD. 01-572 7391.

MEMOREX

Graduate Qualified Accountant

Perhaps an MBA? An exceptional opportunity

The Company
Successful, profitable, international high technology service business. Record of continuous, exceptional growth.

The Job
Head up management accounting, reporting and financial development of £100m company operating throughout Europe. Wide-ranging responsibility and authority for a creative financial mind. Salary up to £15,000: substantial reviews, other good benefits. Career development/promotion opportunities outstanding.
Based London.

Criteria
Graduate qualified accountant with good audit and management experience. Strong initiative, naturally creative and ambitious. Effective manager of people, facilities and assets. Lucid communicator of ideas and recommendations. *Knowledge of French would be an asset.*
Age 28-33.

Action
Telephone Michael Eggers for a confidential talk on this outstanding job and its potential.

JSP Selection Consultants
10 Haymarket, London SW1Y 4BP.
Telephone: 01-839 4953.

Contracts/ Secretarial Officer

Ruston Gas Turbines are a familiar sight worldwide driving pumps, generators and compressors, mainly in the oil and gas industries. Napier Turbochargers are a requirement wherever the potential of a diesel engine must be maximised — for instance in the Inter-City 125 trains. The companies are based in the historic city of Lincoln and employ about 2,500 people in manufacturing engineering.

The job opportunity we now have is for a male or female Chartered Secretary or Company Accountant or similar qualification in the age range 30-45 with a sound working knowledge of company, commercial and contract law and preferably an understanding of export finance and ECGD *procedures.*

Initially, responsibility will be mainly for vetting and clearance of contract conditions with customers and to a lesser extent company secretarial work, including but not limited to, licencing, collaboration and agency agreements, statutory accounts and taxation. With the Assistant Company Secretary retiring in April 1981, we are looking for succession.

This senior appointment will carry an attractive salary and a benefits package, including relocation assistance, in line with the stature of our company. Lincoln provides a wide spectrum of social facilities together with a good choice of reasonably priced housing.

Requests for application forms should be made in writing to or by *telephoning:— David McDonald*, Ruston Gas Turbines Limited, P.O. Box 1, Lincoln LN2 5DJ (0522-25212, Extension 19).

RUSTON GAS TURBINES LTD

Export Finance and Marketing Officer

c. £15,000

The Chase Manhattan Bank N.A. invites applications for appointment to the staff of its UK Export Finance Group based in London, from an experienced officer with a sound and proven record in the negotiating and marketing of all aspects of export finance in the UK and overseas.

A knowledge of the applications of the facilities offered by Export Credit Agencies and the Eurocurrency market is essential.

Experience in a senior position in the international division of a Merchant (or Clearing) bank is desirable.

This appointment should lead to a management position.

A salary, fully commensurate with experience, will be supported by a package including a bank car, preferential mortgage, personal loan scheme and non-contributory medical, pension and life assurance.

Please write with full details in confidence to: Mrs. Shirley Watson, The Chase Manhattan Bank NA, Woolgate House, Coleman Street, London EC2P 2HD.

CHASE

Investment Management

c. £10,000

A major international company wishes to hear from applicants with broad investment experience to assist the Investment Manager of its fast-growing Pension Fund based in Central London. He or she will be expected to play a significant role in the investment of the Fund's *assets, particularly in direct* property and UK equities. It is envisaged that the job holder will participate increasingly in the management of the Fund and become Assistant Investment Manager.

The successful candidate should have wide experience in UK equities gained in a pension fund or other institutional environment. Comprehensive experience of the direct property market is also required, specifically in the sale/purchase of freeholds/leaseholds, leases, and rent reviews. Investment experience in gilt-edged stocks would also be an advantage.

Candidates should ideally be aged 25-35 and be of degree/professional qualification standard. The starting salary is negotiable in the region of £10,000 pa according to age and *experience. Other excellent* benefits are also provided.

Ref: R2442/FT.

REPLIES will be forwarded direct, unopened and in confidence to the client unless addressed to our Security Manager listing companies to which they may not be sent. They should include comprehensive career details, not refer to previous correspondence with PA and quote the reference on the envelope.

PA Advertising
Hyde Park House, 60a Knightsbridge, London SW1X 7LE
Tel: 01-235 6060 Telex 27874

PA

A member of PA International

NEW APPOINTMENT!
Senior Underwriter

c.£10,000

We are a fast expanding National Finance House—a subsidiary of a Clearing Bank—with 60% of our turnover in the consumer oriented market, based on the motor trade/caravans/marine and personal loan sector.

Our expansion programme now calls for us to create the above position based at Godalming. Reporting to the *Managing Director, the successful applicant will be required* to assess and recommend credit lines and undertake Industrial business ensuring that all Company policies are observed and to develop policies as appropriate.

He/she will be required to have extensive experience/knowledge of the risks associated with the finance business as well as a comprehensive working knowledge of Company/Contract Law, H.P./Consumer Credit Law, Security, Accounting and Commercial Finance. He/she will be educated to at least 'A' level standard, will preferably hold a FHA diploma and have a proven track record as an underwriter.

In addition to the starting salary we offer a full range of company benefits including mortgage facilities, pension, free life assurance and relocation expenses if applicable.

If you are able to meet our requirements then write, in full confidence, to:

Derek G. Nevard, Personnel Manager, F. C. Finance Limited, Stratford House, Station Road, Godalming, Surrey. Tel: Godalming (04868) 4141.

FCF

Your future comes first with F.C. Finance

Financial Accounts Manager

LONDON UP TO £8,500

A major British company designer and manufacturer of business forms and systems, and part of a well known International Group, seeks a young, experienced accountant to take charge of its financial accounting department.

This appointment offers excellent opportunities for rapid career development in a company recognised as market leader. These opportunities are enhanced by the Group's active and successful diversification policy and need not be restricted to the United Kingdom.

Aged ideally between 28 and 35 and preferably qualified, you must have had at least two years experience of financial accounting and be able to control and motivate staff. A sound background in computerised accounting and management information systems is essential.

Please write to Richard Varcoe (quoting FT 157) giving brief details of your career to date, or telephone Mrs. Yvonne Bishop (021-643 9536) for an application form.

Lee Jansen Recruitment Ltd.,
5 Lower Temple Street,
Birmingham B2 4JD.
Manpower Consultants, Birmingham, London, Amsterdam, The Hague.

FOREIGN EXCHANGE DEALER

A career opportunity exists within a recently established London Branch of an expanding mid-American Bank for an experienced Foreign Exchange Dealer. Applicants in the age group 25/35 should have a minimum of 3 years' dealing experience in FX/Deposits including Arbitrage. Salary negotiable.

Apply in confidence to:

Miss B. E. North, Administrative Assistant,
FIRST NATIONAL BANK IN ST. LOUIS
62/63 Queen Street, London EC4R 1AD
Tel: 01-236 9571

David Grove Associates

Bank Executive Recruitment

60 Cheapside London EC2V 6AX

Telephone 01-236 0640

CREDIT ANALYST **c. £8,500**

Our client is a prominent Continental bank. This vacancy arises from expansion *of the credit department. Candidates should have a minimum* of three years' analysis experience, preferably in an international bank environment. Duties will include preparation of credit proposals and training of junior analysts.

LOANS ADMINISTRATION **to £5,000**

We are currently seeking a *number* of candidates for leading international banks. A minimum of one year's experience is required, together with a *good general banking background.*

LEASING BUSINESS DEVELOPMENT EXECUTIVE **£8,000**

Subsidiary of leading Continental bank seeks self-motivated business builder with experience in *industrial* leasing, plant, trucks and cars. Probably aged between 25 and 35 years.

Treasury Executive
c.£10,000

Due to internal promotion, the opportunity has arisen for you to develop your expertise within an International Petroleum Group.
This will not be your first responsible job and, although aged under 30, you will have already proved that you have the mental ability, judgement and stamina of a successful Treasury Executive with either a multinational corporation or an international bank.
You will look forward to widening your foreign exchange dealing and money market expertise with one of the largest commercial participants in the London market in our Victoria based Treasury group. Your major responsibility will be day to day international cash management of Occidental's European and African activities, including the North Sea where Occidental is a major operator.
There are attractive international career prospects within Treasury and other areas of the Occidental Group.
Please send brief curriculum vitae (which will be treated in strict confidence) under reference "O.F.A.L." to: Martyn Hawkins, Occidental International Oil Inc., 16 Palace Street, London SW1E 5BQ.

OXY

PHILLIPS & DREW

An exceptional opportunity has arisen for a person with flair and ability to join the institutional equity department. He/she should be in his/her mid-twenties and have at least 2 to 3 years' experience of similar work. In addition to providing a sales service on ordinary shares he/she will also be required to develop similar responsibilities in the traded options market.

Please apply to A. G. Wright, Staff Manager, Phillips & Drew, Lee House, London Wall, London EC2Y 5AP

EUROBOND SETTLEMENTS CLERK

We seek a YOUNG PERSON with 1-2 years' experience who is fully conversant with AIBD rules. We offer attractive salary and working conditions, and excellent fringe benefits.

Please ring (in confidence) Mrs. H. Loveday on 01-638 6141

FOREIGN EXCHANGE
Senior Calling Officer

Age 26 + c. £10,000

Respected American Bank requires dynamic person with good F/X Dealing background to market Bank's dealing services to corporate customers. Excellent long-term career opportunity and full banking benefits.

Junior Dealer
Age 24-27 c. £8,500
Major International Bank seeks able and ambitious young F/X Dealer to assist senior officer. Prospects to progress to marketing role.

F/X Admin.
Age 26-30 c. £8,000
City U.S. Bank has opening for career-minded person with sound F/X background to assist F/X Manager. European languages an advantage.

For more details of the above positions and the many more we are currently handling, please telephone, in the strictest confidence, Mark Stevens.

BANKING PERSONNEL
41/42 London Wall, London EC2 · Telephone: 01-588 0781
(RECRUITMENT CONSULTANTS)

PROPERTY LAWYER
of high ability

with experience of substantial and complex matters is sought by a leading London firm of solicitors. The work is interesting and stimulating. The initial salary and career prospects are excellent.

Apply with full curriculum vitae to:
Box A.7091, Financial Times, 10, Cannon Street, London EC4P 4BY.

£6,000 accountancy appointments £9,000

These advertisements appeared in the Financial Times on 11 March 1980

Job Title	Salary	Location	Advertiser
Qualified Accountant Spanish speaking?	£9,000	London Based	Hoggett Bowers
Assistant to Group Financial Director	—	London Based	Charles Barker ABH Ltd.
Financial Accountant	—	Kent Coast	Huyck Ltd.

For further details of these advertisements please see the Financial Times of that date or telephone Sally Stanley on 01-248 5597

APPOINTMENTS WANTED

MERCHANT BANKER

Energetic chartered accountant with 10 years' experience in corporate finance now seeks entrepreneurial role in venture/development capital or turn-round situation: alternatively expansion-minded small/medium sized company. Southern Home Counties preferred. Limited capital available.
Write Box A7089, Financial Times, 10 Cannon Street, EC4P 4BY.

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Languages in Oxford for Executives

Individually designed intensive courses in French, German, Italian and Spanish . . . from one day to several weeks' duration.
OISE OXFORD INTENSIVE SCHOOL OF LANGUAGES
13/15 High Street, Oxford OX1 4EA
Tel (0865) 47272. Telex: 837665

PERSONAL

AFTER EASTER. Lady will be free to cook and cater for small Business House—Wholesome Country House type of food. Chelsea or Knightsbridge preferred. Box G5499, Financial Times, Bracken House, 10 Cannon Street, London, EC4.

A new approach to your career

If you are an able, experienced executive or professional person, yet somehow you are not making the most of your potential, perhaps you need a new approach to your career.
We specialise in assessing and developing senior people towards personal career satisfaction, to take charge of their own futures and to make the most of their talents and experience to achieve optimum personal and financial rewards.
If you're not entirely happy with the way your career is going, why not come and meet one of our professional Career Advisers, without charge or obligation. For your personal, confidential appointment phone or write to us now.

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MOTOR CARS

BMW—M1

One of only four known to be registered in Britain this year.
Delivery mileage.
ALL EXTRAS
£35,000
01-218 5090 (O) 01-720 2615 (H)

PUBLIC NOTICES

BIRMINGHAM COUNCIL BILLS

£7.5m 91 day Bills issued 13th March, 1980, mature 12th June, 1980. Applications totalled £54½m. Minimum accepted price £95.96½. Average rate of discount £15.184%. Total Bills outstanding £23.5m.

TRAVEL

GENEVA, Basle, Zurich and Berne, widest choice of cheap flights from 4 U.K. airports. Brochure FALCON 01-351 2191.

COMPANY NOTICES

NOTICE
U.S.$100,000,000
REPUBLIC OF THE PHILIPPINES
FLOATING RATE NOTES DUE 1986

On behalf of the Republic, and the Central Bank of the Philippines as statutory fiscal agent of the Republic, noteholders are hereby advised that the appointment of the office of Chase Manhattan Bank (Switzerland), Genferstrasse 24, CH-8027, Zurich, as a paying agent, has been terminated by mutual agreement.
In relation to the interest payment due April 18th 1980, Coupons may be presented for payment at the offices of the following banks:
The Chase Manhattan Bank N.A.:
Woolgate House, Coleman Street, London EC2P 2HD. Corporate Trust Office, 1 New York Plaza, New York, NY 10081.
4 Shenton Way, Singapore 1.
Chase Manhattan Bank Luxembourg S.A., 47 Boulevard Royal, Luxembourg.
Banque de Commerce S.A., 51/52 Avenue des Arts, B-1040, Brussels.
By: THE CHASE MANHATTAN BANK N.A., London. Fiscal Agent.

THE SOUTH BRITISH INSURANCE COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the transfer books of this Company will be closed from 5.00 p.m. on 1st April, 1980, to 9.00 a.m. on 2nd April, 1980.
By Order of the Board.
R. E. PHILP,
General Manager for the United Kingdom.

CANON INC.

Advice has been received from Tokyo that the 79th Ordinary General Meeting of shareholders of the Company will be held at its Conference Room at 30-2 Shimomaruko 3-Chome, Ohta-Ku, Tokyo 144 at 9 a.m. on Friday, 28th March 1980.
ITEM OF AGENDA
Re: Approval of the business report, balance sheet, income statement and profit appropriation plan for the 79th term (from January 1st, 1979 to December 31st, 1979).
Holders of Depositary Receipts to Bearer (EDR's & BDR's) wishing to exercise their voting rights in respect of the Shares represented by the Receipts held by them are reminded that, in accordance with Clause 8 of the Conditions, they must lodge their receipts with Hill Samuel & Co. Limited by 3 p.m., 21st March 1980 or with one of the sub-agents by 3 p.m., 20th March 1980, where lodgement forms are available. Voting Rights may only be exercised in respect of Depositary Receipts representing Ordinary Shares on the register as at 31st December 1979.
Copies of the full text of the Notice convening the meeting are available if required.
HILL SAMUEL & CO. LIMITED
45 Beech Street, London EC2P 2LX.
13th March, 1980.

UNITED PLANTATIONS BERHAD
(Incorporated in the States of Malaysia)

NOTICE OF DIVIDEND
NOTICE IS HEREBY GIVEN that in pursuance of a resolution passed by The Board of Directors an Interim Dividend of 5% less 40% Malaysian Tax was declared in respect of the year ended 31st December 1979 (i.e. a net dividend of 3%).
NOTICE IS ALSO HEREBY GIVEN to holders of Share Warrants to Bearer that Coupon No. 67 detached from Share Warrants to Bearer should be presented for payment in accordance with the above mentioned Resolution from the 31st January 1980 to the Hongkong Bank Group's London Office, British Bank of the Middle East, 99 Bishopsgate, P.O. Box 199, London EC2P 2LA.

OIL SPECIALIST
c. £15,000
An Oil Specialist with at least 3 years' relevant investment experience, good knowledge of international companies and sales ability, to develop the research and sales coverage of sector for top-class firm.

UK EQUITY SALES
£8,000-£10,000 + bonus
An individual, 25-32, with proven track record in Research Sales and Mgmt. to join general sales team and market the work of recognised Equity Analyst to UK Institutions with top firm of stockbrokers offering partnership prospects.

EUROPEAN RES/SALES
£8,000-£12,000 + bonus
Graduate, 27-35, with good knowledge of European Investment Markets and sales ability, to analyse European Equities and market ideas to UK Institutions within established international dept. of highly regarded firm.

FINANCIAL ANALYST
to £12,000 (pkg)
Graduate, 25-32, with at least 3 years Investment Research experience of the Bank and allied sectors to take over responsibility for established research coverage with large firm.

For a strictly confidential talk about these or other positions with Stockbrokers and Institutions contact Anthony Innes or Fiona Stephens.

Stephens Associates
International Recruitment Consultants
35 Dover Street, London W1X 3RA. 01-493 0617

Technical Page

EDITED BY ARTHUR BENNETT AND TED SCHOETERS

● IN THE OFFICE

Caps soldiers on

ALTHOUGH IT is now widely understood within the micrographics industry that the owners of Caps Microfilm, the giant Pilkington glass concern, intend to divest themselves of the company, this 180-employee design and production unit will almost certainly remain unaffected in terms of its product excellence and has in fact made a bold showing at the Microfilm 80 exhibition at Wembley Conference Centre.

Specialising in 35 mm equipment, the company has a turnover of about £4.5m and now has some 2,300 accounts.

Principal introduction at the show is the second generation of the company's A1 Printer/reader, the Mark 2. The new unit can accept a wide range of microforms including 35 mm aperture cards, 16 mm and 35 mm roll film, and microfiche, strips and jackets.

Wide acceptance is expected in the drawing office and on the shop floor of engineering companies as well as in government departments, libraries and local authorities.

The machine has a magnification range of 7.4 to 23 times, continuously variable. A fixed 30x lens is also available as an optional extra allowing part of the image of A0 originals to be printed full size on to A1 or A2 paper.

The full A0 size is in fact achieved by printing in two halves on A1 paper. However, printing paper of any size up to A1 can be stored within the machine body and the fast and inexpensive electrostatic process employed produces prints at two to four per minute, depending on size.

A major operational advantage of the machine is that the image can be checked before printing. It can also be partially printed if need be and it can be altered in part, which saves the expensive alternative of re-drawing completely.

Total price of the machine including the two-door cabinet is just under £4,250 and the company says that if foreign exchange rates are not too unfavourable the Mark 2 should have a good price advantage over competitive equipment abroad.

More from Caps Microfilm, 398 Kenton Road, Harrow, Middlesex HA3 9DT (01-206 0747).

Powerful editor

VYDEC, part of Exxon Information Systems, has aded to its word processing product line the VYDEC 1800.

Designed for all levels of information processing needs, from small businesses to large companies it provides as standard full-page CRT, dual disc storage, and daisy wheel printer, coupled with a big software library.

An information management system is also released. It contains a software document formating package, records processing package, the document assembly package and mathematics package.

Document formating has re-pagination, automatic page numbering, margination, and justification. Word wrap mode allows the operator to continue to type while the system automatically controls the right and left margins. Global search and replace can find and replace items wherever they appear in a document.

Records processing gives the operator ability to access the data base and create, update, or duplicate records by suing a key identifier. Enquiry capabilities allow the operator to sequentially scan the data base.

Document assembly permits the operator to select and assemble paragraphs or documents to create new documents. The letter writing capability can merge assembled letters wiah variable information such as names and addresses extracted from the data base.

The 1800 can also rearrange variable information in any order so forms manipulation becomes one simple step.

Mathematics package is a powerful tool for dealing with extension calculations and column additions.

Vydec is on 01-834 9070

● COMPONENTS

Switch in a sandwich

FRONT PANELS which incorporate very thin laminated switch assemblies are available from R. H. Nameplates on the basis of custom design for particular applications.

Top film of the laminate is a stable polycarbonate with external surface finish as required and reverse printed nomenclature on the underside. Under this is a sandwich of top and bottom contact sheets and a spacer sheet, over the area of which a number of push buttons functions can be independently disposed. A relatively stout backing panel is laminated on the underside.

Contacts are brought out so that the complete panel can be plugged in via a suitable edge connector to the associated circuits.

The company claims very long life — up to 20m operations — and low contact bounce. In fact, the actuation force can be tailored to suit the customer. The limits of shape, size and packing density are wide and it is possible to incorporate back illumination, secret-until-lit displays, filter windows matched to emitted light wavelengths and concealed stud fixings. The whole is environmentally sealed.

More from Easton Lane, Winchester, Hants (0962 61707).

Power up, weight down

AS THE result of using the improved characteristics offered by rare earth magnets and a wound iron armature, the latest 295X series of DC servomotors from Inland Motor Products Division of Kollmorgen (UK) are said to offer an improved power to weight ratio and "new standards" of motor performance in terms of duty cycles and reliability—at a competitive cost.

The high flux, reduced size and lower weight result in a small inertia which improves the response and enables angular accelerations in excess of 15,000 radians/sec to be achieved. In addition the termal capacity is high, giving the motors the ability to handle rapid, repetitive positioning cycles. The speed range is 20,000:1 with minima down to 6 revs/hour. Only three lengths of frame are needed to cover a range of torque from 2.0 to 8.1 newtonmetres, and peak torques of up to eight times the continuous rated figure are obtainable with safety.

More from the company at 13, Newnham Street, Bedford, MK40 3JR (0234 211171).

● TEXTILES

Patterns change in seconds

ALTHOUGH most carpet produced in the world today is tufted, there are very few tufting machine builders supplying the trade. The process was developed just after the second world war in the U.S., which became the home of the machine building industry, later to be established in Blackburn, England, as an offshoot of that business.

The situation has remained unchanged in the intervening years. One of the major limitations of early tufting machines was patterning and initially the process was confined to the production of plain carpets. Later, simple little geometrics were possible.

Today a number of different techniques are available to the tufter, who can produce big and complex designs in a number of different ways, while in addition to this the trade now applies complex multi-colour designs to carpets by a number of different printing processes.

A new tufting machine has recently been developed in the U.S. which, it is claimed, can tuft paterns of two, three or more colours. It is known as the Graphics machine and is provided with two needle bars, both of which may be traversed laterally across the carpet width.

Interesting is that the programming of the shift of the two needle bars is completely independent. This offers wide scope for patterning. The shift of each needle bar can be up to 3 inches so that with, say, a diamond pattern the total width may be up to 6 inches.

The Graphics machine is built by Tuftco Corporation. (British agent: Pickering Enterprises, Victory House, Prospect Hill, Douglas, Isle of Man. Tel. 0624 27996.)

● SAFETY

Essential supplies kept going

EMERSON has improved the capabilities of its Accupower uninterruptible power supply equipment. The new UPS is based on static inverter technology but has higher operating efficiency, an increased power-to-size ratio, greater operator safety and a number of developments in the power circuit control electronics.

Some redesign on the power circuit side has also taken place and servicing is made easier by the circuit diagnostic facilities provided. There is also less acoustic noise, which is reduced mainly through a change in the air-cooling procedure and re-designed magnetic components.

The range will be extended later, but the first new unit is intended for the centre of the market. The 200 kVA AP785 which is being manufactured compares with a top of the range machine of 350 kVA.

From a similar frame size as used on the Series II equipment the Series III Accupower produces a 43 per cent increase in power/size ratio. This increase is obtained by taking maximum advantage of improvements in the electrical components used for the power switching circuits.

Emerson Electric, Elgin Drive, Swindon, Wilts. 0793 24121.

Foam fights fires

COMPATIBLE WITH all types of dry powder and other aqueous film-forming foams is Tridol S. based on fluorochemical surfactants, as introduced by Angus Fire Armour, Thame Park Road, Thame, Oxon (Thame 4545).

Said to have high foaming properties, it will produce a vapour suppressing aqueous film on flammable liquids and can be used with standard low expansion foam-making equipment.

It is available in either 6, 3 or 1 per cent induction grades but low temperature grades are also available, all suitable for use with either fresh or sea water.

Sign for our times

RECOMMENDED FOR use in areas that are vandal-prone is a sign which comprises a sandwich of clear Oroglas DR reinforced by a glass reinforced plastics (GRP) laminate whose message is screen-printed on the reverse face of the Oroglas DR to render it virtually impregnable to criminal attack.

Its exceptional exposure-resistance means that the sign can also serve ideally in coastal regions and industrial areas where atmospheric conditions are corrosive, says Rohm and Haas (UK), Lennig House, 2 Mason's Avenue, Croydon (01-686 8844).

FOR CONTRACT RESEARCH & DEVELOPMENT

INTERNATIONAL RESEARCH & DEVELOPMENT CO LTD
Fossway, Newcastle upon Tyne NE6 2YD

● HANDLING

One-man jack system

MANUALLY PUMPED hydraulic jacks promise safe, effortless lifting of heavy drums (in the warehouse or factory or on site) to allow payout of cable, overhead traction wiring, wire-rope, hose, says Reel-o-Tech, Sawmills Industrial Estate, South Road, Alnwick, Northumberland (0665 3619).

There are three sizes covering maximum diameters 1,800, 2,750 and 3,350 mm, and maximum weights 3,000, 6,000 and 10,000 kg—minimum drum diameter is 680 mm.

Supplied in pairs, the jacks have a square-tube framework with stable tripod base enclosing a carriage which runs vertically between two columns. By placing levelling supports under the jacks, and using a higher bearing hole on one side than the other, drums can be safely lifted even on slide slopes, says the company.

Optionally, the jacks can have a collapsible framework for easier, cheaper transport and storage.

● PACKAGING

Messages on tape

IDEAL FOR printing on self-adhesive vinyl tape, as well as other narrow-web materials, is a new three colour rotary letterpress flexo printing machine launched by Carlisle Brothers, Machines (Long Eaton), Acton Grove, Long Eaton, Nottingham (06076 5748).

Offered to companies handling medium and large size orders for labelling products, it will provide improved printing techniques and quick interchanges during faster and more consistent runs.

The Windsor CL 3 has an operating speed of 0.70 metres a minute with print length increments of 2.5 mm and a maximum repeat length of 430 mm.

It has facilities for die cutting and slitting and can print on a range of materials (with web widths of 152 mm) including natural and synthetic fabrics, ribbons, tapes, self adhesive stock, plastics, films and foils.

● HEATING

Roof skin saves cash

APART FROM promising a reduction in heating bills, application of a composite seamless coating of foamed thermal insulation with integral weather-proofing over an entire external surface, serves to upgrade old or new roofs, according to Ruberoid Insulation Services, 1, New Oxford Street, London W1 (01-405 9501).

Rubersil can be applied to flat or pitched roofs of metal, asbestos cement, concrete, timber, felt, tiles, slates or asphalt.

It can be sprayed on to vertical or overhead surfaces or corners, is said to fill all cracks and crevices and adheres tenaciously to the roof surface and all its contours.

● PROCESSING

Easy cable repairs

NO VULCANISATION nor the application of any heat is required to make repairs to flexible and trailing power cables using a series of cold repair kits announced by 3M.

One of the items, the Scotchcast flexible cable repair kit, is available in three versions to cover cable sizes from 40 mm to 150 mm diameter made from Neoprene, nitrile/PVC, EPR and Hypalon.

After removing the damaged sheath the conductors are taped and a spacer web is applied. A re-usable wrap-around mould is strapped in place and filled with a polyurethane compound using a funnel. When the compound has cured the mould is removed to leave a flexible, non-flammable repair which rarely exceeds the diameter of the cable. The compound is supplied in a two-part plastics bag.

Another kit is available for use when damage is restricted to the cable sheath and there are also jointing and terminations kits for cables up to 11 kV.

More from 3M House, P.O. Box 1, Bracknell, Berks. RG12 1JU (0344 26726).

We have the capacity to
JIGS AND FIXTURES
If you can put your problems on paper providing it is not too large or small we are prepared to quote for it.
KCV PRECISION TOOL COMPANY
No. 2 BERRY STREET, HATFIELD
TEL: HATFIELD (30) 64353

LOMBARD

Time to act on U.S. oil prices

BY DAVID LASCELLES IN NEW YORK

A LOT of kites have been flying over Washington in the last few days as Mr. Carter and his advisers assess what measures could or should be included in their new anti-inflation package. These have ranged from credit controls to sweeping budget cuts. But by far the most sensible was the idea that came out earlier this week for a hefty tax—about $5 per barrel—on imported oil. It has so many attractions that it must stand a good chance of being implemented.

The theory behind the tax is that a sharp rise in oil prices will do more good than harm, even with inflation in double digits, and even in election year. The only danger is that it will get squashed by people who focus on its inevitable short-term inflationary impact and ignore the long-term benefits.

Shock therapy

Mr. Jeffrey Nichols, a prominent Wall Street economist who strongly supports the tax, comments: "It's a choice between swift electric shock therapy or a long period of water torture."

The immediate effect of the tax would be to push up oil product prices in the U.S. by about 10 per cent. This is admittedly a lot when basic inflation is already roaring along at 1.5 per cent a month with little respite in sight. But let us follow the effect through.

Recent experience has shown that U.S. demand for petrol and heating oil is highly price-elastic. So a further price hike could confidently be expected to force people to drive less and turn their thermostats down. Oil consumption would ease off, and so would oil imports. This in turn would help the U.S. overseas trade balance and the dollar. And what is good for the dollar is good for inflation because it brings down the cost of imports.

This is a long chain of consequences, and there is no guaranteeing that it would work. But at least the possibility exists that the oil tax could in the end help the inflation problem.

Domestically, a big and sudden rise in oil product prices might be expected to have a salutary effect on the country's inflation psychology too. At the moment, the phased decontrol of oil prices initiated by President Carter last year means that whatever happens the cost of fuel will rise by about 4 per cent a month until it reaches world levels towards the end of next year. This expectation is now firmly built into contracts, wage settlements and so on.

But a one-time leap in oil prices, though painful at the time, would leave U.S. oil prices with less distance to go before they reach world levels. Those monthly inflation figures could improve as a result. The shock of a sudden jump might also finally tip the U.S. economy into recession, something the Administration has been vainly trying to do for the last year in the hopes of taking some of the pressure off prices.

On the other side of the books, the tax would yield about $11bn for the Government in the next fiscal year. This would help it bridge that difficult budget gap and reduce the huge Treasury borrowing requirement which has been a factor behind the inexorable upward march of interest rates.

Internationally, too, the tax would be welcome for two reasons: by curbing U.S. oil demand it would take some of the pressure off the world oil market and make it harder for OPEC to push through new price increases. It would also be a token of Mr. Carter's continuing determination to solve the U.S. energy problem and live up to his promises to bring down imports.

The question, of course, is whether the tax would be politically acceptable. And the answer seems to be yes. There is (for election year) a striking readiness in the U.S. for tough economic measures to combat inflation and get the country out of its energy mess. But even if Congress did prove hostile to the tax, Mr. Carter could introduce it on his own authority under emergency trade legislation. Better still, he could even abandon phased decontrol of oil prices and abolish all controls tomorrow, a drastic solution which is not without its supporters.

Mr. Carter's freedom to act swiftly over the tax is one of its main attractions: there would be no counter-productive delay as Congress debated it, and no chance for hoarding. He should take advantage of the public mood to act.

EEC Commission in surprise raid

BUSINESS AND THE COURTS

BY A. H. HERMANN, Legal Correspondent

THE EEC Commission denies that it is systematically extending its powers. It is only using the powers which it always had under the EEC Treaty and Regulations more frequently than before. That such protestations are not true has been demonstrated in the case of Camera Care v. EEC Commission* when, as *Justinian* reported here last Monday, the Commission obtained from the European Court the power to take interim measures in competition matters before it had reached a decision.

In another case ** in which *an appeal of AM and S Europe* (a subsidiary of RTZ) is still pending before the European Court, the Commission claims that in the course of an investigation its officials alone, and not the company concerned, should decide whether a certain document is, or is not, a privileged communication between a lawyer and its client and, as such, should not be used in evidence.

Next week the European Court will hear an appeal† by National Panasonic (UK) against a decision taken by the Commission on June 22, 1979, and followed five days later by a surprise raid by the Commission's inspectors of Panasonic's offices in Slough. Similar raids were carried out simultaneously on 19 other EEC companies suspected of hindering parallel *imports of their audio products*. In its appeal Panasonic claims that EEC Regulation 17/62 gives the Commission the power to make such a decision for an on-the-spot inspection only after it has given the company the opportunity to provide the required information and documents "voluntarily"—in other words, without the element of surprise.

Let it be said right away that Panasonic could have made short shrift of the whole affair by refusing the Commission's inspectors access to its papers. Neither the Commission's inspectors nor the officials of the Office of Fair Trading accompanying them could have used force or asked for police assistance. True, the Commission could then have adopted another decision enforcing access by means of fines, but these have a relatively low ceiling, and in any case Panasonic would have gained time to consider its position.

Panasonic, however, chose to comply. The Commission in its defence, submitted to the court in the course of the written procedure, insists that Article 14, Regulation 17/62, under which it acted does not require a "two-stage procedure." Under this the company would first of all be asked to co-operate, and a decision obliging it to submit to an inspection would follow only if it did not. Panasonic argues that Article 14, providing for verification of information must be read in the spirit of *Article 11 which* expressly provides a two-stage process for the obtaining of information.

It supports the argument by quoting Commissioner Von der Groeben who, when Regulation 17/62 was discussed in the European Parliament, said: "We foresee, first of all, that information is given voluntarily. If it is not the Commission will have to take a decision. The same applies to the subsequent verification. The interested party may appeal to the Court of Justice. It may obtain a stay."

However, the arguments encompass a wider field. Panasonic evokes human rights and natural justice, the principles of which should be observed in Community law, and the Commission counters this by saying that Panasonic's claim would make it impossible ever to carry out an investigation, no matter how serious the circumstances, without first giving the enterprise involved an opportunity to destroy or hide all the relevant documents.

To give companies such a possibility "would be contrary to the principle that the community legislation must be interpreted so as to give full effect to its purpose," says the Commission.

Here we are again, at the wretched question of interpretation, which some believe to be so very different on the Continent. Purpose and intent—the teleological approach—is said to be the key to the continental method, as distinct from the English method, believed to go by the letter of the law. Such a distinction is largely illusory, and for the rest mainly a question of degree.

The intention of the legislator is equally important in English law as on the Continent; only last week, when delivering his speech in the Acas case,‡ Lord Diplock based his conclusions on the "dominant intention of Parliament in the 1975 Act." True, there is a way of drafting statutes, for example taxation legislation, which imposes certain duties only under strictly specified conditions. By approving statutes so drafted the legislator shows that he intended that the duty should be imposed only in the specified circumstances. This can, and is often done also on the Continent, and continental judges are then bound by the legislator's intent no less than English judges.

But even in such a loosely-worded system as created by the EEC Treaty, no accepted method of interpretation gives the judges the power to defy the clearly expressed intention of the legislator in the name of some imaginary wider purpose which prompted the legislation.

Indeed, the method by which the judge should proceed when interpreting the statute has already been admirably defined in the Civil Code of Maria Theresa of 1811.

The judge should, in the first place, consider the letter of the law. If that is not sufficient in the circumstances, he can refer to the intention of the legislator. When this is not evident he can seek help by analogy with other laws, and when none of these three steps has enabled him to reach a conclusion he should give his judgment according to what he thinks fair and just. Broadly speaking Continental judges observe these yardsticks and the sequence in which they should be applied.

As no legal system, English or continental, can be anything but a pyramid of rules aspiring to govern the future behaviour of people, the law makers cannot foresee all the circumstances in which the law will be applied. Every judge is, therefore, left with a certain freedom to complete the creative process started by the legislator. The Panasonic case provides an excellent example of the interpretation problems which may be encountered by the judge in doing so.

The words of Article 14 of Regulation 17/62 seem sufficiently clear about the Commission's powers to order a verification of information without asking first for "voluntary co-operation." If the European Court finds that this is so, there will be no need for it to seek assistance in the records of parliamentary debates, but it will still be left with the question as to whether this clear meaning of Article 14 does not infringe human rights or natural justice—rules which are placed at a higher level of the pyramid forming the European legal system.

Here the European Court will have some difficulty in applying to the EEC situation rules evolved in the national laws of member states. The Federal Cartel Office, the powerful anti-trust enforcement agency of Germany, must obtain a court warrant every time it wants to carry out one of its dawn raids on the offices of suspect companies.

In the UK, the Office of Fair Trading has no powers of search, and even the Inland Revenue has to ask a judge for permission whenever it wants to make a search and take away documents. The EEC Commission, however, *is* police, prosecutor, and judge all rolled into one. That's where the root of the trouble lies.

** (1980) 1 C.m.l.r 334; ** Commission Decision July 6, 1979. OJ L199 p.31 7/8/79.*

† European Court Luxembourg, Case 136/79; †† TLR March 10, 1980.

Approaching—a fairly safe bet

RACING

BY DOMINIC WIGAN

WITH question-marks against the names of the four heading the Tote Cheltenham Gold Cup betting, I believe backers could well do worse than consider Approaching as a win and place prospect.

A lightly raced nine-year-old, the handsome Findon chestnut figured prominently in the Gold Cup betting before injuring himself in Ascot's SGB Chase *last season*.

Although difficult to gauge how he compared with the leading 3½-mile chasers at that time, there is little doubt that Approaching was making up into a high-class performer.

The comfortable conqueror of the ill-fated Master H. when taking the Hennessy in record time, the powerfully made gelding went on to put up his best performance to date when forcing Grand Canyon to his limits in the SGB Chase.

In that event, Approaching, giving Grand Canyon 1 lb, took on the duo *Colonial* Cup winner from a mile out. It was only in the closing stages, after the outcome seemed to be in the balance for a long while, that Grand Canyon asserted his superiority over Approaching, who outjumped him almost throughout.

Approaching, fired after that race, when heat in a leg failed to respond to treatment as quickly as anticipated, has run well on both his outings to date this season.

Making his long-awaited reappearance in the Compton Chase, Josh Gifford's charge only weakened out of contention in the home straight. That run was followed by an even more creditable effort at Kempton.

There, nine-year-old, having only his second race in over 14 months, pressed Father Delaney until weakening in testing ground as the pair approached the final fence.

Approaching, in "*top trim*," according to Gifford, will have come on a good deal since Kempton, and with fluent bold jumping—his chief asset—it is not difficult to envisage him more than repaying each-way support.

Of the remaining 17 runners in the largest Gold Cup field since the War, I have most regard for Tied Cottage. But for a mistake at the final fence a year ago, I believe Dan Moore's veteran would have just held Alverton's challenge.

CHELTENHAM

2.15—Batchacre Hall***
2.50—Rolls Rambler*
3.30—Approaching
4.05—Narvik
4.40—Calinago**
5.15—Brendan's Slave

ENTERTAINMENT GUIDE

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CINEMAS

CLASSIC POLY. Oxford Circus (Upper Regent Street). 637 9863. Walerian Borowczyk's THE BEAST (X GLC). 1.45 (not Sun.), 5.20, 8.55. IMMORAL TALES (X GLC). 3.25, 7.00.

2: Clint Eastwood ESCAPE FROM ALCATRAZ (AA). Progs. 1.40, 4.00, 6.20, 8.40.
3: Woody Allen MANHATTAN (AA). Progs. 12.50, 2.50, 4.50, 6.50, 8.50.
4: Oliver Reed THE BROOD (X). 1.05, 3.50, 6.35, 9.20. CRUEL PASSION (X). 2.40, 5.25, 8.10.
5: THE LORD OF THE RINGS (A). Sep. Perfs. 2.00, 5.00, 8.00.

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TV Radio

† Indicates programme in black and white

BBC 1

6.40-7.55 am Open University (Ultra high frequency only). 9.00 For Schools, Colleges. 12.45 pm News. 1.00 Pebble Mill at One. 1.45 Heads and Tails. 2.00 You and Me. 2.15 For Schools, Colleges. 3.53 Regional News for England (except London). 3.55 Play School. 4.20 Bojan. 4.25 Jackanory. 4.40 Star Turn. 5.00 John Craven's Newsround. 5.05 Blue Peter. 5.35 Paddington.
5.40 News.
5.55 Nationwide (London and South East only).
6.20 Nationwide.
6.55 Tomorrow's World.
7.20 Top of the Pops.
7.55 Lennie and Jerry.
8.30 World Figure Skating Championships.
9.30 News.
9.55 Play for Today.
10.45 Question Time.
11.45 Weather/Regional News.

All Regions as BBC1 except as follows:

Wales—2.15-2.35 pm I Ysgolion. 5.55-6.20 Wales Today. 6.55-7.20 Heddiw. 10.45 Glas y Dorlan. 11.15 News and Weather for Wales.

Scotland—10.10-10.30 am For Schools. 12.40-12.45 pm The Scottish News. 5.55-6.20 Reporting Scotland. 10.45 Current Account. 11.15 Graham *Sutherland*. 12.00 am News and Weather for Scotland.

Northern Ireland—11.30-11.50 am For Schools (Ulster in Focus). 3.53-3.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 6.55-7.20 Sportsweek in Northern Ireland. 11.45 News Headlines; Weatherman. 11.49 Tomorrow's World. 12.14 am News and Weather for Northern Ireland.

England—5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West (Plymouth).

BBC 2

6.40-7.55 am Open University.
11.00 Play School (As BBC1 3.55 pm).
2.00 pm Racing from Cheltenham.
4.50 Open University.
†5.40 Flash Gordon.
6.00 Bolshoi Puppets.
6.45 Racing: Cheltenham Festival highlights.
7.05 Mid-Evening News.
7.15 Newsweek (The divisions in British society).
7.50 In Search of Offa.
8.30 Public School.
9.00 M*A*S*H.
9.25 Man Alive. Doctors' Code—the dilemmas.
10.15 15th Cambridge Folk Festival.
10.40 Cartoon Two.
10.45 Newsnight.
11.30 Snooker: Benson and Hedges Master Final (highlights).
12.10 am Newsnight By-election Special from Southend East, including result.

LONDON

9.30 am Schools Programmes. 12.00 Toppers Tales. 12.10 pm Stepping Stones. 12.30 The Sullivans. 1.00 News, plus FT Index. 1.20 Thames News. 1.30 Together. 2.00 After Noon Plus. 2.45 The Spoils of War. 3.45 How's Your Father. 4.15 Spiderman. 4.45 International Gymnastics. 5.15 White Light.
5.45 News.
6.00 Thames News.
6.20 Help!
6.30 Crossroads.
6.55 Looks Familiar.
7.20 *The Jim Davidson Show.*
7.50 Armchair Thriller.
8.30 World Ice-Skating Championships.
9.30 TV Eye.
10.00 News.
10.30 Thames Report—"Chemicals: Trouble in Store."
11.00 Lou Grant.
12.00 What the Papers Say.
12.15 am Close: Personal choice with Anna Ford.

All IBA Regions as London except at the following times:

ANGLIA

1.25 pm Anglia News. 2.45 Houseparty. 3.15 Firehouse. 3.45 Looks Familiar. 4.15 Gymnastics. 4.45 The Next Week Show. 5.15 Emmerdale Farm. 6.00 About Anglia. 6.15 Arena. 6.55 Survival. 10.30 International Darts Matchplay. 11.00 Doctor's Private Lives. 11.55 Themes.

ATV

12.30 pm Gardening Today. 1.20 ATV Newsdesk. 2.45 The Spoils of War. 3.45 Looks Familiar. 4.15 Gymnastics. 4.50 The Life and Times of Grizzly Adams. *6.00 ATV Today. 6.55 Emmerdale Farm.* 10.30 Format V. 11.10 ATV Newsdesk. 11.15 Lou Grant.

BORDER

1.20 pm Border News. 2.45 Houseparty. 3.15 Out of Town. 3.45 Looks Familiar. 4.15 Thursday Matinee: "Letters from Three Lovers," starring June Allyson and Juliet Mills. 6.00 Lookaround Thursday. 6.55 Emmerdale Farm. 10.30 Fireside Theatre. 11.30 Soap. 12.00 Border News Summary.

CHANNEL

1.20 pm Channel Lunchtime News. What's On Where and Weather. 3.45 *Looks Familiar. 4.15 Gymnastics.* 4.48 Rocket Robin Hood. 5.15 Emmerdale Farm. 6.00 Report at Six. 7.00 Target the Impossible. 10.28 Channel Late News. 10.36 Soap. 11.05 Untamed World. 11.25 The Thursday Film "The Norliss Tapes." 12.30 am News and Weather in French.

GRAMPIAN

9.25 am First Thing. 1.20 pm North News Headlines. 3.45 Looks Familiar. 4.15 Gymnastics. 4.45 The Rolf Harris Show. 5.10 Mork and Mindy. 5.40 Police News. 6.00 North Tonight and Area Weather Forecast. 6.55 George Hamilton IV. 10.30 Soap. 11.040 Luke's Kingdom. 12.00 Reflections. 12.06 am Exploding Cities. 12.35 North Late Night Headlines.

GRANADA

1.20 pm Granada Reports. 3.45 The Amazing World of Kreskin. 4.15

Looks Familiar. 4.15 Gymnastics. 4.45 Wyatt's Place. 5.15 Jobline Newsdesk. 5.20 Crossroads. 6.00 Report West. 6.55 Emmerdale Farm. 10.35 Gallery. 11.05 Luke's Kingdom. 12.05 am George Hamilton IV.

HTV Cymru/Wales—As HTV West/HTV General Service except: 9.52-10.07 am Gymru. 10.48-11.03 Mwy Neu Lai. 12.00-12.10 pm Ffalabalam. 1.20 Penawdau Newyddion Y Dydd. 1.25-1.30 Report Wales Headlines. 4.45 Ser. 5.15-5.20 Cartoontime. 6.00 Y Dydd. 6.15

F.T. CROSSWORD PUZZLE No. 4,224

ACROSS

1 How to ascertain, author's views, they say, according to rules (2, 3, 4)
6 Key to current male hiding place (5)
9 Spring up to a point in Devon (5)
10 Look at composition of mascara (3, 4-2)
11 Day to outwit finest outfit (6, 4)
12 Nail nationalised transport with notice (4)
14 Small-size paper may be a bit old (7)
15 Number one quite a few find objectionable (7)
17 Introduce to the public before getting posted (7)
19 Bit of applause for public library scrutiny of books (7)
20 Assemble for service (4)
22 Appearance pointed to rushes (5, 5)
25 Footslogging revolutionary punishing drudgery (9)
26 Animal beheaded at a higher temperature (5)
27 Compare match with Pole (5)
28 A conductor to be safe should hide (2, 2, 5)

DOWN

1 Singer embraces one underlying principle (5)
2 Learn a bit so as to become receptive to instruction (9)
3 More insurance for man in field (5, 5)
4 Left command to make a better offer (7)
5 Hang on to wrong confines (5, 2)
6 Sourpuss caught by unfortunate oarsman (4)
7 Get over free (5)
8 Advisable to shift (9)
13 Last 20 result (5, 5)
14 Character bumped into a student producing material for printer (4, 5)
16 Mr. Chips for instance made a wonderful picture (3, 6)
18 As well get Heather to find work for a chiseller (7)
19 Fish allowed with teacake (7)
21 Glossy South Wales emblem (5)
23 Scots town mentioned in the paper the other day (5)
24 Party upset fashionable northern god (4)

SOLUTION TO PUZZLE No. 4,223

(S) Stereophonic broadcast

RADIO 1

RADIO 2

RADIO 3

RADIO 4

BBC Radio London

London Broadcasting

Capital Radio

THE ARTS

Record Review

Two masters

by DOMINIC GILL

Chopin: Four Scherzos. Sviatoslav Richter. United Artists Cadenza UACL 10016 (£3.19)
Chopin: Four Ballades. Vlado Perlemuter. Nimbus 2110 (£4.85)
Ravel: Piano works complete on three records, available separately. Vlado Perlemuter. Nimbus 2101-2103 (£4.85 each)

Richter has not until recently made his mark as a Chopin pianist. He first played Chopin in London only three years ago, and it was then—both of the pianist and the music—a revelation: his B minor Scherzo, and his hauntingly beautiful performance of the Barcarolle, still ring in the ears. Just as many pianists save late Beethoven for their later years, Richter has saved Chopin (I remember him remarking once, at his festival in Tours, that he believed Chopin to be the most gravely underestimated of all great composers, not so much by audiences as by pianists themselves).

So these Scherzos, at medium price on a little-known label, are not reissues, but new recordings made last year jointly by Melodiya and RCA Victor Japan. All praise to United Artists Records for snapping up the UK distribution so speedily—though RCA's decision to license is surely a mystery: for this is one of the finest new piano records to emerge for many seasons, and it should find its way instantly to every, even the humblest, record collector's shelf.

No information is provided about the recording location: but I would guess that it was not all the same studio, or at any rate that the recordings were made at a number of different sessions: the B flat minor and C sharp minor Scherzos have a very slightly plummier, more resonant ambiance than the B minor and E major. I would guess also that Richter is playing his (these days) customary Yamaha concert grand, with its pearly treble, bell-like middle, and light, 19th-century bass—less richly coloured and resonant than a Steinway, but in some ways clearer and more subtle, every timbre in perfect chamber balance throughout the range.

On every page there are extraordinary and original things: yet the manner is scrupulously faithful to the spirit, as well as the precise letter, of the score. Each performance combines (or seems to combine: that paradox of all artistic re-creation) the fruit of mature and long reflection with the freshness of a cleansing breeze—everywhere new accents, new colours, new perceptions to freshen the stale air of so many stale readings of these great, too-familiar works.

The *sotto voce* middle section of the B minor Scherzo, a breathless sonority that seems to grow closer, not farther away, as it grows quieter, is turned with only the barest pause on the third beat into a dreamlike mazurka-barcarolle. In the second Scherzo, Richter discovers an extraordinary combination of haughtiness and smouldering fire. Much is stated only by implication: the sonority of the C sharp minor Scherzo is not itself huge, but vast in the vision it gives of power unused, in reserve. Nothing in playing of such powerful economy and close focus need be over-stated: the darkest menace is implied by a single timbre, a single note. In the E major Scherzo, Richter's instrument allows him the indulgence of a host of marvellous *half-pedal* effects — mute sforzando explosions, dizzy splashes of light. The final climaxes of the B flat minor and C sharp minor Scherzos sweep everything from their path: not with abandon, but with windy, elemental force. The coming year may see many fine new piano records; but I doubt that any will prove more exciting, or more rewarding, than this.

For all that there are only 10 years between them—in four years' time Richter will be 70, and Vlado Perlemuter 80—Perlemuter is very much a pianist of the "older" school. Or more accurately, perhaps, since he studied both with Cortot and with Ravel, he bridges both. His readings of the Chopin Ballades are impulsive, expansive, a shade less scrupulous in their observance of the letter of the music, and without Richter's titanic technical command—but the spirit of the music is just as keenly evoked, and with marvellous freshness and authority. There is indeed really no point to, just as there are really no points of, comparison: only kinship.

Perlemuter rediscovers in a wholly personal manner, and intimately refashions, the sighing lyricism of the A flat Ballade—and of the F minor, its yearning and grand, melancholy triumph. But the playing is not indulgent: lines are fine-spun, and every colour mixed with care. If his Chopin owes much to the tradition of Cortot, Perlemuter's Ravel is perforce and unmistakably of this mid-century: vividly coloured, broadly orchestrated, but above all scrupulously attentive to detail. His "Scarbo" from *Gaspard de la nuit* is a big, flashing canvas: but the virtuosity in unostentatious; the search is for the connecting gesture, and for the poetry of inner voices exactly meshed, never for speed. My own favourite of the set is Perlemuter's account of the *Valses nobles et sentimentales*, exquisitely poised and pointed: elegance without a trace of prissiness, nostalgia without a hint of kitsch, and everywhere the difficult, shifting pattern of rubatos perfectly gauged.

Interesting that both these master artists should have their recent records issued in this country on minor labels—is this just a foolhardiness of the smaller companies for which we must be eternally grateful, or yet another sign that the larger companies are losing their judgment, as well as their nerve?

Young Vic

An Optimistic Thrust

by MICHAEL COVENEY

The touring company, Joint Stock, has built a solid reputation for its collaborative methods between actors, directors and writers. This three-way stretch has yielded some excellent results, but the latest venture does away with a writer and falls back on the personal experiences of the cast. Taking that speech of Mrs. Alving in *Ghosts* in which she assesses personality as an amalgam of dead beliefs and inherited ideas, the actors proceed to deliver a rather self-conscious *pot-pourri* of reminiscence and direct address.

A thematic consistency is attempted by acting out excerpts from *Great Expectations* to demonstrate Pip's aspiration to jump the social barriers; as education is a recurring topic, the scene where Joe Gargery expresses the familiar objection to it as an incitement to class rebellion takes on special power.

It is suggested early on that reading the classics has nothing to do with one's personal life or expression. This fallacy, depressing enough in itself, I found doubly depressing on reflecting that the director who gives it house room, William Gaskill, has himself directed so many memorable classic productions and, in his days at the Royal Court, never shut the door on our theatrical heritage even as he set about excavating for new work. He cannot now, surely, be aligning himself with the casual philistinism expressed by the company in their deliberately ropey sung versions, that top and tail the evening, of "Robin Hood" and "My Old Man's A Dustman." If he is, I despair.

The company emerges from behind three gaudily decorated screens in some quite striking but unspecific masks. Here is Julie Covington doubling as a mother and whore figure (one leg stockined, the other socked) scornfully challenging the life-style of Pauline Melville as a bookish spinster. Here is Christian Burgess wandering nude as a child among a card-board meal table refusing to be sorry. Here is Bruce Alexander as a mad teacher invoking the classics; here is David Rintoul rejecting them in a sinister recitation of William Dunbar's "Lament for the Makaris" (the poem with the resonant refrain "*timor mortis conturbat me*") before demonstrating his "real personality" by chatting about his holiday experiences in Greece.

"Real" experience is not necessarily more valid or interesting than the lessons experience can teach us through fiction, so although one admires Miss Melville's liberal credentials in her account of her friendship with a victimised Chilean singer, the failure of this episode to reverberate theatrically robs it of eloquence. Worst of all is a juvenile revue sketch featuring an ignorant lout trying to empty his bowels while castigating a popular newspaper for triviality.

None of it hangs together and a final condensed version of *Hamlet* on a cricket pitch reminds us that Mr. Gaskill once used this sporting metaphor seriously when producing a version of *Measure For Measure* in Exeter. Even though there are entertaining moments, the overall impression is of an exercise as mysterious and private as it is flip and jejune.

Leonard Burt

Julie Covington

Hammersmith Odeon

Peter Gabriel

by ANTONY THORNCROFT

Peter Gabriel once led a successful band called Genesis which he abruptly left. Since then Genesis has gone from strength to strength and so has Gabriel. At least there were enough loyalists around to pack the Odeon, and a current single "Games without frontiers" is a popular hit. The concert was a curious occasion; part very old —tall, wild haired men stumbled down the alleys like demented puppets, apparitions from the drug crazed sixties; part very new—Gabriel and the band wore black boiler suits with white piping, and looked like the relief crew for Spaceship Superstar.

The same split was apparent in the music. It is very electronic, with Gabriel on keyboards and Larry Fast on synthesiser, and all the special effects, the strident spots and neon sticks of bright lights littered about the stage, play up an escapist inhumanity which then loses confidence in itself, and collapses into strong rock riffs and Gabriel darting about the stage, and into the audience, like a pop star. Long introductions to some pretentious new songs contrast with the singalong qualities of the current hit the chorus of which got only a half-hearted response from the stalls.

It is the oddities that give Gabriel a kind of charm. He takes himself rather seriously and this makes his music easy to parody. Yet glimpses of a real talent peep through and the fact that he can afford a good sound and lighting system ensures that the production values are worth experiencing. Underneath the layers of artificial sounds and lyrics there are some attractive simple melodies and Gabriel is at least trying to move his audience out of a 1970 time warp and into a more popular form of escapism.

Guildhall School

Poppaea

by ELIZABETH FORBES

Monteverdi's last opera, that superb celebration of the power of love, positively gains as well as loses in a performance by students. Though the philosopher Seneca and the Empress Octavia need the weight of experience and maturity—in their personalities rather than their voices—the central characters of Nero and Poppaea become not only more palatable, but more credible when endowed with extreme youth. In Tom Hawkes's production at the Guildhall School of Music, Nero is played as an outwardly charming teenager who turns vicious the moment his will is crossed, while Poppaea surrenders unthinkingly to ambition and sexuality.

The Guildhall performance, conducted with his usual scrupulous care for balance by Vilem Tausky, uses a version of Alan Curtis's edition of the score, with a dozen instrumentalists plus two stage trumpets for the Coronation scene. The text, sung in Arthur Jacobs's translation, is pared down to two-and-a-half hours, including one interval, with the prologue containing the argument between Virtue and Chance cut altogether.

The set, an arrangement of marble pillars with screens or curtains to create interiors, and the contemporary, seventeenth-century costumes, are by Linda Haysman and Eric Dougheny of the Central School of Art and Design. The production runs swiftly and Mr. Hawkes has taught his singers to move with admirable unselfconsciousness, to match the free ebb and flow of the music between recitative and arioso. On Tuesday Richard Wales sang Nero.

As Poppaea, Philippa Dames-Longworth looks suitably luscious and sings with attractive warmth of tone. Her determination to become Empress is not calculated, but part of her greedy desire for wealth, power and, of course, love. Jenny Miller fills Octavia's laments with equally passionate grief and hatred. Lindsay Webster's Seneca is gravely sung, though his characterisation lacks true gravity.

Wigmore Hall

Steven Isserlis

by ANDREW CLEMENTS

Not many young cellists would count Mendelssohn, Bloch, Liszt, Debussy and Seiber as the staples of an important recital. Steven Isserlis won the National Federation of Music Societies Award for Young Concert Artists last year, and a concert at the Wigmore Hall was part of the prize. To select such a programme suggests at once great assurance and an enquiring, fresh approach; both were apparent in his performances. Whether it made a sucessful, balanced evening was more questionable, however.

Mr. Isserlis was partnered by Peter Evans. From the back of the hall at least, one heard more of the piano; the cello tone seemed too easily obscured by drily struck, unsympathetic playing. In Mendelssohn's D minor Sonata particularly, the eye rather than the ear suggested a quick-witted response: the first-movement Allegro rhapsodically moulded, the scherzo tip-toe soft. The *Adagio*, more destructively, became a barely accompanied piano solo, and a not very interesting piano solo at that. A fairer balance in the Debussy Sonata, and at once a more involving experience. Mr. Isserlis caught the protean mood of the Prologue exactly and followed it with a Serenade of fascinating half-lights and nuance, and a finale that refreshingly refused the temptation to seize the moments of full-blown lyricism at the expense of shape and mood.

Beyond the two sonatas the musical quality dropped. Mr. Isserlis never produced anything less than consummately finished, supremely relaxed playing (and Mr. Evans nothing more than efficient, functional accompaniment) but it was *otherwise squandered on an inferior product*. Bloch's *Suite—From Jewish Life* yearns rather too self-consciously and cannot manage a single memorable melodic figure; Seiber's *Dance Suite* is well made and gratefully written, nothing more. The rarity was a pair of pieces by Liszt: a *Romance oubliée* of costive lyricism, which ends before it has assumed a conclusive form, and an *Elégie* of minimal thematic content, overworking a tiny motif to dubious expressive effect.

St. John's, Smith Square

1945 onwards

The fourth and penultimate concert of the London Sinfonietta's excellent Tuesday series of postwar music was framed by two substantial masterworks, both still relatively neglected, and both dating from the same year, 1969.

Ligeti's Chamber Concerto is one of his finest works of that period, and well worth reviving —with *Melodien* for orchestra, the climax of his gradual shift during the middle 1960s away from the massive web-forms of *Apparitions* and *Atmosphères* towards a music whose interweaving lines were more separate and distinct, and whose chordal structure was more clearly determined. Like *Melodien*, the Chamber Concerto is full of busy, lyrical music, and sudden, striking contrast — its four movements a development in *clear formal outline of different* "types of motion," from dark, nearly static rumination to "lightly flitting" conversations, erratic, splintered. The performance under Elgar Howarth was of the highest Sinfonietta standard, beautifully crafted, quick, deft, full of air and light.

Harrison Birtwistle's *Verses for Ensembles* for 10 wind instruments and percussion was one of the first, and still one of the most powerfully gripping, of all the Sinfonietta's commissions since their founding in 1968. It reveals more riches *at every hearing: a work of* marvellous variety within an obsessively single-minded frame —its slow-swelling sequence of outbursts, declamations, interventions brilliantly unfolded, stridently antiphonal, but nonetheless, impressively controlled, a virtuoso essay in the techniques of repetition, canon, verse-form, ritornello, ostinato, held taut with a nearly invisible rein.

It made an exhilarating finale. In such a context, *Venus Fly Trap* for 13 instruments, a new Sinfonietta commission from Brian Chapple (b.1945), was no more than an irrelevance. Fair enough, essential even, in such a series to include as wide a spectrum as possible of postwar manners: but Mr. Chapple's little plant took its lifeblood not even from the first-rate mainstream but from all those insects that crowd the stagnant eddies of the "popular" sidestreams. In an embarrassing preamble beforehand, the composer declared himself emphatically not to be a "pioneer of Lyons Teashop Music": he could have fooled me.

DOMINIC GILL

Festival Hall

Royal Philharmonic

On paper Tuesday night's concert looked a fraction lightweight, even with Alfred Brendel as a component; in the event it was full of charming rewards. The excellent Bernhard Klee conducted, and the orchestra was on top form—there were neat details in Strauss's *Till Eulenspiegel* that I haven't heard brought out in a long time, all of them of a piece with Klee's light and lilting treatment of the whole. Riotous explosions arrived on cue, but much of the effect was chamber-orchestral, very delicate and wittily timed. The horns excelled themselves, and for once the E-flat clarinet made the last syllable of Till's last words heard. Nowhere was any extraneous muscle brought to bear; Till's capers were most elegantly cut.

Wagner's early Faust Overture may have been designed for a more imperious assault than Klee's acutely sensitive reading, but the seminal riches of the score were so accurately identified that it made an absorbing study-performance. There are pre-echoes not only of the later Wagner (as far ahead as *Parsifal*), but quite certainly of late Bruckner too, and even — or so it seems — of Franck's D minor symphony. In short (and it is short) the Overture gains enormously with hindsight, when it is spread out as seriously and scrupulously as *it was by* Klee.

He and the Royal Philharmonic were no less musical with the orchestral part of Weber's engaging, slightly absurd *Konzertstück*, but there the principal efforts must be the soloist's. Brendel plainly enjoyed himself immensely at the piano: he did not guy the piece, but there was a mischievous twinkle in all his strenuously brilliant finger-work, and a strong suggestion of subtitles beneath each burst of early-Romantic rhetoric. His account of Mozart's earlier A major Concerto, K. 414, was a labour of love of another order, an object lesson (without any pedagogical flavour) in how to place its expressive substance in sharp relief without threatening the gentle scale of the work. Its suggestive hesitancy was beautifully conveyed, but by loving precision rather than stress. Perhaps Brendel insisted too hard that the Rondo is less innocent than it seems—there were gratuitous touches of the whip; but Klee matched them faithfully in the orchestra, and the result was at least tautly consistent.

DAVID MURRAY

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NatWest's £20,000 for Sadler's Wells Theatre

Sadler's Wells Foundation has announced that National Westminster Bank is providing £20,000 for the benefit of Sadler's Wells Royal Ballet and Sadler's Wells Theatre.

The bank took the initiative in approaching the ballet company and the theatre jointly to see what area could best benefit from financial support. It was agreed to keep the theatre to improve working conditions for both the dancers and administrative staff. A large proportion of the £20,000 will be used for major improvements to the theatre's rehearsal facilities.

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Thursday March 13 1980

Keeping cool on Iran

PRESIDENT CARTER'S cool handling of the Tehran hostage crisis has undoubtedly helped him in his campaign for re-election. He has benefited from the traditional rallying of opinion behind the White House at a time of overseas emergency—subsequently compounded by the Soviet invasion of Afghanistan. He has further benefited, rightly, from general approval of the dignified and measured nature of his response to the captors' demands. At tactical, campaigning level, his decision not to go out on the hustings until the hostages are released has so far helped to frustrate Senator Kennedy's attempts to get a real two-man race going for the Democratic Presidential nomination.

UN Commission

But there have always been electoral dangers in such an approach. The first was that Senator Kennedy would turn the flank of a President pinned down in the White House by concentrating his fire on a domestic issue like inflation—a danger of which Mr. Carter is now only too clearly aware. The second was that continuing patience with Iran over the hostages would at some point come to look more like impotence. That point has clearly come closer with this week's failure of the visit of the United Nations Commission to Tehran—an initiative on which a great deal of diplomatic effort has been expended, and which at least implied some sort of American recognition that the U.S. role in the Shah's Iran had not always been unimpeachable.

It is important, however, that Mr. Carter should not now be panicked out of the even tenor of his approach by the UN Commission's empty-handed exit from Tehran. Despite the setback, the door has not been completely closed on further negotiations. Both the U.S. and the UN appear to have been over-optimistic that the Commission's formation would lead to the hostages' speedy release. A gentlemen's agreement with Iranian leaders who are unable to deliver—if indeed there was such an agreement—never looked a very good bet.

Ineffective

But the main point is that the U.S. has not other realistic options. Military action is out of the question—and has long been ruled out in Washington. President Carter has also rightly dismissed any thought of publicly apologising for alleged past American misdeeds or collaborating in the return of the Shah. Efforts to organise economic sanctions have proved ineffective, and any attempt to intensify them is likely to be counter-productive—if only by re-emphasising Western differences on the issue. It should only be undertaken if the West is prepared genuinely to act as one, and there is no sign that this is on the cards.

Even if it were, there are three further difficulties. The first is that the Soviet Union and its Allies are only too prepared to make good suspended sales of Western goods. The second is that Iranian society is not so consumer-orientated as to be immediately vulnerable to a trade boycott. The third is that economic sanctions, even if they could be made to work, would be directed at the wrong target.

President Bani-Sadr and his Foreign Minister, Mr. Sadeq Qhotzbadeh, may be ready to do a deal with Washington. They would probably not want the problem to be further exacerbated by new economic sanctions. But if the events of the last few weeks have proved anything, it is that the more moderate elements of the Iranian leadership are unable to impose their will against the combined forces of Ayatollah Khomeini and the students holding the hostages—neither of whom would probably be particularly disturbed by further economic measures against Iran. If President Bani-Sadr sees a resolution of the hostage problem as a means of asserting his authority over the country's disparate power centres, it is equally possible that the Ayatollah is against it in order to maintain his own.

Humanitarian

It is unfortunate for President Carter that he has failed to secure the hostages' release, to say nothing of the sad human aspects of their continued imprisonment. But there are no signs as yet that the majority of the American people will abandon him if he declines to raise the stakes. An attempt at strong-arm action that failed would be worse, both for the President and for the hostages, than the present, admittedly intensely frustrating, stalemate. Difficult though it may be, the best course for President Carter is to keep his patience, while continuing to explore every possible avenue for negotiation and diplomatic pressure.

The case for outsiders

THE IDEA that British companies need more non-executive directors is gaining ground. Yesterday the Institute of Directors, in association with a firm of management consultants, launched a new service designed to provide appropriately qualified candidates to companies which wish to make new non-executive appointments to their Boards. The Confederation of British Industry, the Bank of England and the Stock Exchange are working on a scheme which would involve a list of approved management consultants to help companies find suitable non-executive directors. The Bank has been arguing for some time that most companies need to have a minimum number of outside directors to balance the full-time managers; institutional investors are being urged to use their influence to bring this about.

Polarity

How much can non-executive directors achieve? The Institute of Directors believes that there is a "direct link between good Boardroom structure and good company performance." Unfortunately there have been too many cases where an apparently ideal mix of executive and distinguished non-executive directors has not prevented a slide towards disaster. The mere appointment of two or three non-executive Board members, however impressive their credentials, solves nothing. A great deal depends on the relationship with their executive colleagues and, above all, with the chief executive.

The story of Ozalid, a company which was the subject of a report published last week by Department of Trade inspectors, illustrates the point. The non-executive directors knew the company was badly managed and made numerous suggestions for improvement, but the chief executive did not want to listen. There was, as one of the directors put it, "a polarity situation," with the insiders in one corner and the outsiders in another.

If more companies are to appoint outside directors, they have to establish the conditions in which the newcomers can do a useful job. The first requirement is that they should not be cronies of the chairman. Their loyalty must be to the company as a whole and not to a single individual. It is difficult for directors who have a professional link with the company, such as bankers or lawyers, to take the objective view which is necessary. There is much to be said for the American practice whereby senior executives in larger companies hold one or two part-time directorships in non-competing enterprises. Such men not only bring useful current experience to their non-executive post, but are in no way dependent on it for their livelihood.

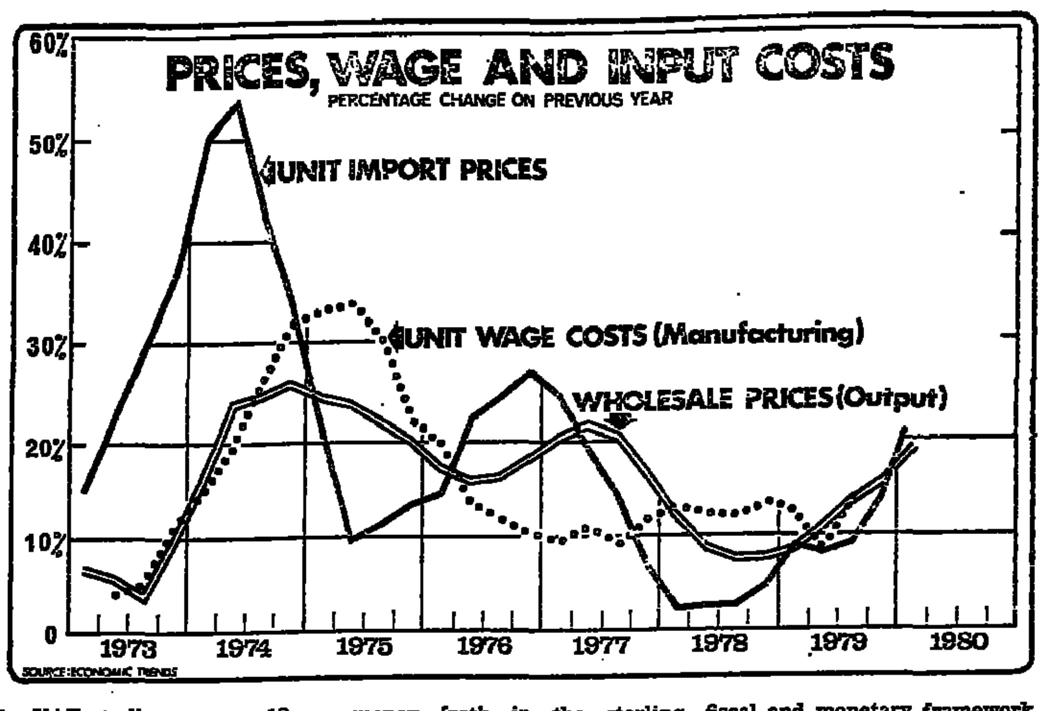
The outsiders must have access to information on which to judge the performance of the company. They cannot operate efficiently unless the company has a reasonably orderly approach to decision-making; if it is dominated by an entrepreneurial chief executive who takes all the decisions himself, they would be better off declining the appointment. No one should accept an outside directorship unless the responsibilities of the job are clearly defined and understood by the chairman, the other Board members and the shareholders. If the present wave of interest in non-executive directors leads to a less casual approach in the way they are appointed and in the way they are regarded inside and outside the company, this will be all to the good.

Useful role

The appointment of outside directors is no panacea. It is the full-time managers who determine the success or failure of a business. But given the right conditions the non-executive directors can play a useful role in monitoring and stimulating the management. The task of those who are now promoting the greater use of outside directors is to ensure that the right conditions are created and that the widely held view of an outside directorship as a comfortable sinecure no longer conforms to reality.

ECONOMIC VIEWPOINT

The two-way pull of Clegg and commodity prices



WHEN THE Labour Government unwisely set up the Clegg Commission and the Conservatives, with equal unwisdom decided to continue with it, I wondered if either party pondered sufficiently the true cost of buying off trouble in this way.

Those who comment on the moderation of some Clegg awards have forgotten that they do not represent the complete wage increases of the public servants concerned, but are being superimposed on normal wage-round gains. Along with Clegg should be put so-called Civil Service "pay research," whose effects are potentially even more devastating.

Local authority manual workers are receiving on average an 11 per cent Clegg award in two stages—last August and this April. In addition, a recent agreement provides for a 13½ per cent pay increase back-dated to last November. Non-manual civil servants have done us a favour by accepting 25 per cent in stages from April, 1979 to January, 1980; they hope for another 17 per cent from pay research this August—and I haven't even mentioned indexed pensions.

Wood Mackenzie has made a gallant attempt to bring order to this confusion by constructing an index of pay rates of central and local government workers. Comparing pay with a year ago, the index accelerates from an 11 per cent rise at the beginning of 1979 to 15 per cent at the end of 1979 to reach a peak of 25 per cent in the middle of 1980. It is assumed that the rate of increase will fall rapidly in 1981-82, levelling off at 12 to 13 per cent. But while the downward stage is a forecast, the upward one is an estimate of what is already in the pipeline.

It looks, however, as if these massive rises, completely out of relation to anything in private industry, will have their main effect on employment and not inflation. This is partly because services of people like teachers, police or civil servants, for which we do not pay directly, do not appear in the Retail Price Index.

While I disbelieve the whole batch of forecasts showing a 1930s-type slump in output, I fear that unemployment will rise as much as if these forecasts had been true. This will be the direct result of the institutional pricing of workers out of jobs so much favoured by the so-called "doves" in the Cabinet. Here is another example where those who talk most about the social costs of unemployment are themselves the prime creators of the evil they denounce.

While excessive wage increases, mainly in the public sector, contribute to unemployment, the rise in inflation largely reflects forces outside the UK. Wholesale prices this February, which are not affected by VAT at all, were over 18 per cent up on a year ago. Before putting all the blame for this on wages, we should remember that the index for materials and fuels purchased by industry rose by the staggering amount of nearly 29 per cent—or 41 per cent if the materials of the food group of industries are excluded.

These figures, which are heavily influenced by oil, of course somewhat exaggerate the international inflationary impulses. The best single measure of these impulses is probably the index of unit import costs. This covers finished and semi-finished products, as well as materials, and provides some indication of the price levels to which British suppliers have to accommodate in competition with imports. The import price index was 20 per cent up on a year ago this January. As this was a period in which a 12 per cent rise in the effective sterling rate moderated the effect in Britain of rising world prices, one is again left with a frightening picture of world inflationary pressures.

Fortunately, there is a light at the end of the tunnel. Commodity prices, for instance, reached a peak in early February. In the last month the dollar-based commodity indices have fallen by about 10 per cent. If this trend continues, it will suggest that the U.S. Fed has been more successful than it has so far been given credit for in curbing U.S. monetary expansion—which has provided the main inflationary impulse on a world-wide scale.

A world slowdown in inflation will benefit the UK, provided that sterling does not fall too much. A large depreciation might provide a temporary boost for exporters at the cost of heavier inflation later on—and an unemployment peak delayed to later in this Parliament.

There will be no harm in losing a little bit of the hot money froth in the sterling exchange rate. But one of the main functions of domestic monetary control is to prevent the effective sterling rate falling too far below last year's average of 67 to 68 (compared with recent peaks of over 74). A reasonably firm exchange rate is our main hope of emerging from stagflation, and an appropriate rate is best achieved by the indirect domestic route of effective monetary targets.

My Budget nightmare

THE MOST important part of the Budget this year will not be the news flashes about whether beer has gone up by 1p, or 1½p, or a packet of cigarettes by 4p, 5p or 6p. Nor will it even be whether the Chancellor has managed to take another 1p or 2p off the basic income tax rate by juggling with the reduced rate band and the allowances. It will not even be whether the Chancellor's best guess for next year's Public Sector Borrowing Requirement (PSBR) is going to be a little more or a little less than £8bn.

We already know that the Chancellor intends to reduce the PSBR slightly; but that thanks to the hoped-for spending cuts and higher oil revenues the tax side will be more or less neutral, with reliefs in one direction being balanced by tightening up in others.

The real importance will be in the passages when the television presenters report: "Nothing is really happening now. He is just talking" — in other words the Budget Speech itself. To be more precise, the Government's economic strategy will be laid out not only in the Speech but in the Financial Statement ("Red Book"), which may contain a medium-term fiscal and monetary framework, and the Public Expenditure White Paper. But the Speech itself irresistibly attracts most attention and determines the reaction of MPs, commentators and readers of the "heavy" papers.

Nearly all Budget Speeches to which I have been forced to listen have been atrociously drafted. The vast majority of so-called changes, which take up most of the speaking time, are simply adjustments of a vast variety of allowances, charges, benefits and exemptions made necessary simply by inflation. They may be adjusted by slightly more or slightly less than the inflation rate, and for some items several years' adjustments may be made at one time.

But the main effect is that of rolling a stone uphill. Most of the measures announced with such portentious importance aim simply to stay roughly where one was in the previous year in real terms.

Most of this effort could be cut out by the "formula" approach described in Economic Viewpoint on February 7. This requires a basic decision about how much of recent inflation to allow for. The adjustment should be less than complete—13 per cent is a figure enjoying some vogue. It would represent last year's rise in the Retail Price Index adjusted for direct tax cuts.

This or any alternative decided by the Chancellor would be the basic percentage for adjusting tax thresholds, social security benefits not fixed by statute, the specific duties and many other items. Of course, the formula need not be slavishly followed. Petrol duty could, for instance, be raised by more than the formula or the personal tax threshold raised by less. But the policy decisions would be in the formula and in the departures from it, and not in each separate nominal change. Although the decisions have already been taken, it is not too late to build the formula approach into the Budget Speech.

Passing from hopes to fears, I can foresee all too easily the familiar type of Budget Speech which would make me wish to be locked up inside Big Ben where I could scream undisturbed. A first sign that the old rubbish was coming up again would be the usual misleading figure of 1m or so people being freed from income tax altogether.

The table shows how every year the same group of people are taken out of the tax net, only to be dragged in again by inflation in the following 12 months. If one adds together the figures in Budget Speeches in the last 11 years, some 13.4m people have been relieved from tax. Yet there were 26m taxpayers at the end of the period compared with 23m at the beginning. In the unlikely event of Sir Geoffrey raising nominal tax thresholds by more than 17 or 18 per cent he can legitimately report that some people have been freed from income tax — but far fewer than at first sight. More probably they will be raised by less, so that the real tax threshold will have been increased, as others will point out if he does not do so himself.

Thus my nightmare Budget Speech would culminate in a false claim for the numbers freed from tax. En route there would be a mass of separate changes not related to each other or to the inflation rate and announced as mysterious "acts of judgment." After proclaiming scepticism about economic forecasts, there would then be a lot of statements in the first person such as "I expect consumption to rise by 1¼ per cent," or "unemployment to rise by 225,000," when quite clearly the figures would be those thrown up by a politically massaged forecasting machine.

The archetypal bad Budget Speech would announce a cash figure for the PSBR as another "act of judgment" for the year immediately ahead, with no attempt to relate it to the national product, to monetary targets, medium-term aims or the state of the business cycle. The monetary targets themselves would simply be rolled forward for one year ahead. There would in this nightmare be no attempt to relate the 1980-1981 monetary target either to the overshoot in the year just ending or to medium-term aims, and past figures would be reported deadpan with no mention of the way in which corset distortions cause the money supply growth to be understated.

The nightmare would continue with public spending cuts announced purely in "funny money" or volume terms, so that it would be impossible to set out tax and expenditure changes on a comparable basis.

There would also be a qualitative analysis of growth prospects based on the Treasury's assumptions that growth is limited by a balance of payments constraint in general and high import demand in particular. This would be inconsistent both with the fact that sterling is floating and with Sir Geoffrey's emphasis on supply constraints.

Finally there would be lengthy passages about wage restraint, of the kind which have occurred in almost every Budget speech since Cripps—and not at all closely related to the facts, figures and intentions of the operational part of the Speech.

Do I expect the nightmare to be realised? There will probably be some attempt to compromise between the traditional presentation—which the popular papers are supposed to like, but which in fact excites a healthy and earthy response from their readers—and something more rational. But compromises have a habit of being peculiarly unsatisfactory—especially if they attempt to say simultaneously that 1½m have and have not been taken out of income tax.

Samuel Brittan

MISLEADING TAX RELIEFS

	Number liable to income tax*	Numbers "freed" from income tax in Budget
1969-70	23.7m	1.1m
1970-71	23.1m	2.1m
1971-72	23.4m	0.2m
1972-73	21.7m	3.0m
1973-74	23.3m	0.1m
1974-75	24.5m	1.5m
1975-76	25.4m	0.8m
1976-77	26.0m	0.8m
1977-78	25.2m	2.1m
1978-79	25.9m	0.4m
1979-80	26.0m	1.3m
	Total:	13.4m

* Earning wives counted separately.

Source: Hansard, House of Commons, February 14, 1980, House of Lords, February 6, 1979.

MEN AND MATTERS

Woolly thinking about robots

Are there no limits to the potential uses of industrial robots? I ask because Joe Engelberger, president of the U.S. automaton-maker Unimation tells me he is already planning seriously for the time when he can produce a machine to take the blood, sweat and shears out of the task of parting sheep from their wool.

In London yesterday to launch Unimation's first factory outside the States, Engelberger explained that the works, to be built at Telford, will begin by manufacturing the Puma, his universal industrial robot. But in time it could also be constructing machines to render extinct the Antipodean sheep men who ply their trade around the world at shearing time.

He says even he was doubtful when approached with the idea by a couple of Australians, but he decided to take a closer look when he heard about potential sales. In Australia alone the human population is outnumbered four-to-one by sheep.

Much advance work has already been done in Australia, where a method has been perfected for temporarily knocking-out the animals. Our cousins are now involved in developing super-sophisticated sensors to enable the machines to adapt their shearing action to the different sizes, shapes and sex of sheep and thus prevent accidental removal of portions other than wool.

"... and if Luton closes we guarantee you a long Easter weekend at Gatwick or Heathrow."

Rooted out

A quite deliberate mystery, generating much literary gossip, is being made of the identity of "Henry Root," author of a very amusing collection of spoof letters (and genuine replies) being published at the end of the month by Weidenfeld and Nicholson.

Posing as a boisterous wet fish magnate, "Root" wrote to everyone from Prince Charles to the DPP, enclosing with absurd requests/congratulations outrageous views ("Better that 10 innocent men be convicted than one guilty man go free!") a £1 note. This seems in almost every case to have prompted some kind of reply.

Often the funniest letters are also the stuffiest. Offered "something in it for you personally," Major-General F. B. Wyldbore-Smith, director of the Conservative Board of Finance, writes: "I think I must make it absolutely clear that there is no question of buying Honours from the Conservative Party. However, I am most grateful to you for the support which you have given to the Party over the past few months."

Confident of his anonymity, "Root" has recently started advertising signed messages in The Times. Monday this week had: "To Sir James Goldsmith. You're all right!" Esther Rantzen, Lord Hailsham, Paul Johnson, and the South African ambassador have all been victims.

"Root" is widely rumoured to be Humphrey Berkeley, last heard of having a rough time as Chief Diplomatic Adviser to the Prime Minister of the "republic" of Transkei. A few years ago Berkeley published the correspondence between the head of a non-existent public school called Selhurst and his opposite numbers at real schools.

But such speculation seems absurd. Apart from other clues, "Root" gives his address as Elm Park Mansions, Chelsea. This happens to coincide with the abode of that louche Sixties figure, the presenter of Beyond the Fringe, one William Donaldson.

Ulster tours

If one believes the International Tourism Exchnge in West Berlin, Northren Ireland is turning out to be the destination for the German traveller lusting for peace and quiet. Last year some 7,000 West Germans made their way to the province, along with 18,000 other visitors from the Continent.

West German tour operators, including the prestigious ADAC automobile club, offer Northern Ireland mainly for cruising and fishing on the River Erne, which one German catalogue reassuringly notes is in a "rural area, safe from political unrest."

The Ulster tourist board opened its first and only Continental office in Frankfurt last year: since then the number of German tour operators offering trips to Northern Ireland has doubled. By contrast, one is told, "not one major tour operator in the UK has the confidence to offer our holidays."

Hello, hello, hello

Yesterday lunchtime saw the birth of a unique and exclusive club accidentally fathered, in a manner of speaking, by this newspaper. The seed was sown in a report on a study of Middle Eastern hospitals prepared by management consultant Michael John Cunnington. This produced a call to the study's author from contract furnishers Druce, which has an interest in Middle East markets, and whose managing director also happens to be called Michael John Cunnington. Then, just as they were growing accustomed to the coincidence of name and interest, up popped another Michael John Cunnington, market research manager at Watneys in Brick Lane.

This clearly called for lunch, decided MJC 1, who hardly expected anything more than a little light relief. But over the steaks our namesakes discovered clues which promised to lead them to unearth associations even closer than they could have suspected at the outset. MJC 1 tells me MJC 3's grandpa used to run a pub in Lincolnshire—which is where MJC 1's family comes from—while MJC 2 can trace his origins to nearby Rutland.

Slighted Friend

Refreshing, at the Ladbroke appeal case in the High Court yesterday, to hear someone other than Lord Denning getting it in the neck from his legal colleagues. To be absolutely precise, it is very hard to hear Lord Widgery these days. But those of us able to follow his words raised an eyebrow or two at his harsh words about the Crown Court judge, Judge Friend. "The so-called judgment of the learned judge," murmured Lord Widgery, "can hardly be said to be elegantly expressed. Indeed parts of it are barely intelligible and at best ambiguous."

However, it seems that this observation originated, not from the mild-mannered Lord Chief Justice, but from the other judge in the case, Mr. Justice Mars-Jones, who prepared the judgment. Perhaps the barb is a throw-back to his more knockabout days as a parliamentary candidate in his native Wales.

Observer

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THE STRAINS IN SOUTH AFRICA: BY QUENTIN PEEL IN JOHANNESBURG

Between backlash and revolt

THE SILENCE which greeted the pilot's announcement on the *South African Airways* flight from Johannesburg to Cape Town was as complete as if he was announcing plans to crash land. "For those of you who *want to know* the Rhodesian election results," he said, "The good Bishop has come a cropper, and won three seats. Mr. Mugabe has won an absolute *majority*. So enjoy your next vacation in Rhodesia."

For all the brave words that "perhaps he will be another Kenyatta after all," it is impossible to exaggerate the impact of Mr. Robert Mugabe's landslide victory on South Africa. Both strategically and psychologically, it is a shattering defeat for the white minority. As for the black majority, they see it as a massive victory, and a vindication of their long struggle for political rights.

The immediate reaction in the white community was bitter recrimination that everyone could have been so wrong. How could they have believed that *Bishop Abel Muzorewa* would win the election, or at least be able to form an "anti-Marxist alliance" with Mr. Joshua Nkomo and the Rhodesian whites. "Not only was the Government getting the wrong information—it was misinterpreting the information it had. Not only the Government: the rest of us were doing much the same," according to one banker. "Obviously, the wish was father to the thought."

Black reaction was the opposite. "I am on top of the world," said Dr. Nthato Motlana, civic leader in the black township of Soweto, and a consistent critic of the Government. "The big lesson is that anybody in southern *Africa who gets white* patronage is finished."

Whatever the conciliatory noises being made by Mr. Mugabe, now Prime Minister, towards his southern neighbour, there is no doubt that the South *African Government* and military see his victory as a serious strategic defeat. "Black Africa has now advanced to the Limpopo border," a nationalist newspaper declared. The Limpopo is now simultaneously the first and last line of defence.

The advent of the new Government *in Rhodesia is* regarded as a major step towards what General Magnus Malan, Chief of the South African Defence Force, sees as the "Marxist *encirclement" of the Republic.* Although Mr. Mugabe has promised not to set up bases on Rhodesian territory for guerrillas from South Africa, defence *sources in Pretoria say they* believe he will be unable to deny them free movement to infiltrate the Republic.

General Malan's worst-case scenario is that with Rhodesia joining Mozambique and Angola as Marxist states, only Zambia and Botswana prevent a complete encirclement of South Africa and *Namibia*, and they would be unlikely to resist Communist takeovers for long.

Pressure

More immediately, the result in Rhodesia is likely greatly to increase African pressure for a settlement in Namibia (South *West Africa*), *the huge, mineral*-rich and sparsely populated territory ruled by South Africa in defiance of the UN. That means direct pressure on the Republic, which will soon become linked with pressure for internal political change in South Africa itself.

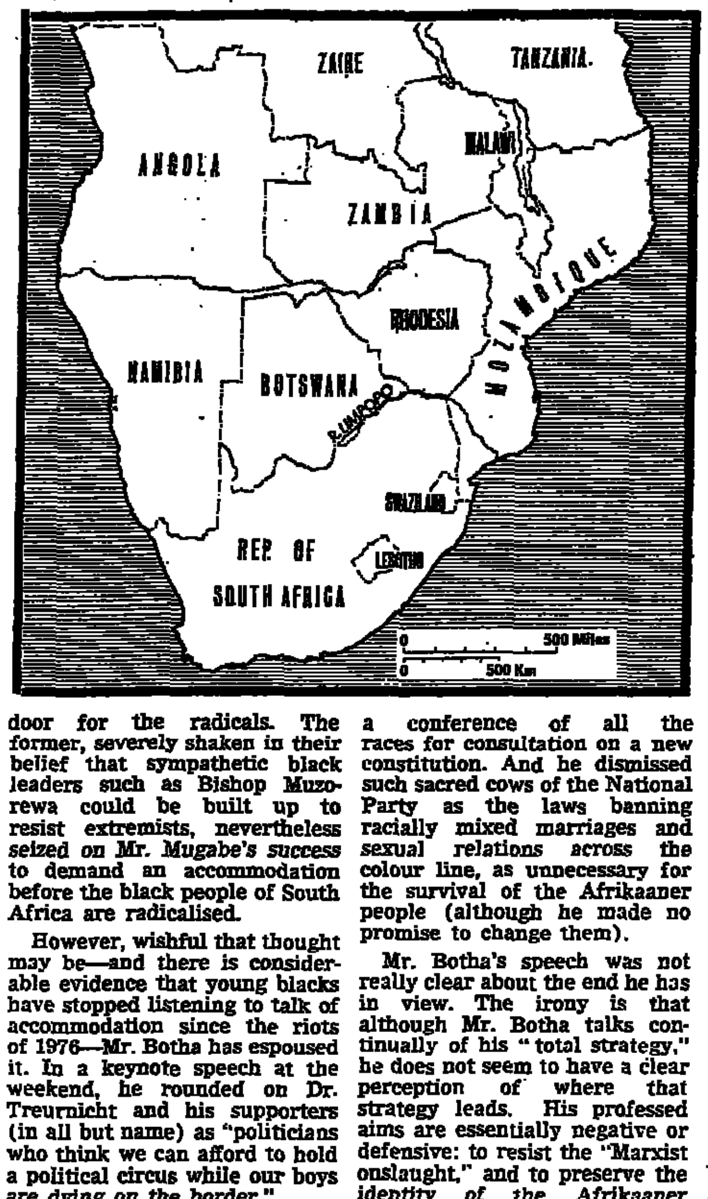
The Rhodesian election result was announced on the very day talks began in Cape Town between the South African Government and a top UN team on efforts to achieve a settlement in Namibia. The talks went ahead in spite of both sides admitting privately that it was hopeless to expect any advance until South Africa had had a chance to digest the Rhodesian result, and to see how it worked out in practice. Inevitably the result was to harden the South African opposition to UN-supervised elections in Namibia since they might result in a victory for the South West Africa People's Organisation (SWAPO), the nationalist movement fighting a guerrilla war against South African troops on the Namibian border.

The truth is that Mr. P. W. Botha, the South African Prime Minister, does not have a great deal of room for manoeuvre. His first reaction to the Rhodesian result was that the people of Rhodesia "will have to work it out for themselves, and live with it." He did in effect rule out intervention, unless Mr. Mugabe allowed Rhodesian territory to be used for attacks on South Africa.

In spite of its sudden *economic revival* on the back of the gold boom, South Africa cannot afford to get bogged down in an extended guerrilla war beyond its borders. A big *increase of defence spending* above the current R2bn (about £1.1bn) a year is expected in the forthcoming budget, just to pay for the spasmodic fighting in northern Namibia, at a time when the priority should be black education and housing. Moreover, any intervention would almost certainly leave the Western powers unable to veto *drastic economic sanctions* being imposed by the UN before South Africa is fully prepared to cope with them.

But Mr. Botha is almost *equally locked in at home. It* was no coincidence that the result in Rhodesia was rapidly followed by a new outburst of internecine warfare within

Mr. P. W. Botha



South Africa's ruling National *Party*. The confrontation between the Prime Minister, and Dr. Andries Treurnicht, leader of the party's dominant Transvaal wing and spiritual *head of its* hard-line conservatives, was ostensibly about whether Coloured (mixed race) schoolboys should be allowed to play rugby against white boys. But as the Johannesburg Nationlist newspaper Beeld—a fervent supporter of Mr. Botha —remarked: "The Mugabe-result in Rhodesia took precisely three days to bring Nationalist *politics to the edge of a split.*"

The outcome made acute the existing division between the *Verligtes* (enlightened ones) and *Verkramptes* (re*actionaries*). *The latter seized* on the result as a vindication of their insistence that any concessions to black rule, however moderate, simply opened the door for the radicals. The former, severely shaken in their belief that sympathetic black leaders such as Bishop Muzorewa could be built up to resist extremists, nevertheless *seized on Mr. Mugabe's success* to demand an accommodation before the black people of South Africa are radicalised.

However, wishful that thought may be—and there is considerable evidence that young blacks have stopped listening to talk of accommodation since the riots of 1976—Mr. Botha has espoused it. In a keynote speech at the weekend, he rounded on Dr. Treurnicht and his supporters (in all but name) as "politicians who think we can afford to hold a political circus while our boys *are dying on the border.*"

He promised, in apparent defiance of rigid apartheid orthodoxy, that urban black leaders would be brought into a conference of all the races for consultation on a new constitution. And he dismissed such sacred cows of the National Party as the laws banning racially mixed marriages and *sexual relations across the* colour line, as unnecessary for the survival of the Afrikaaner people (although he made no promise to change them).

Mr. Botha's speech was not really clear about the end he has in view. The irony is that although Mr. Botha talks continually of his "total strategy," he does not seem to have a clear perception of where that strategy leads. His professed aims are essentially negative or defensive: to resist the "Marxist onslaught," and to preserve the *identity of the Afrikaaner* nation.

Nevertheless, Mr. Botha's strategy does imply a considerable erosion of the complex structure of racial separation. In the first place, it seeks to win wider black *support to* resist the onslaught, and therefore must humanise the most unacceptable forms of racial discrimination. Second, it must gear up the economy *for the* struggle, and therefore streamline the unwieldy apartheid bureaucracy, particularly to improve labour mobility.

Mr. Botha has bravely put forward such ideas, even if he has not yet dared to introduce much in the way of legislation. He has tried to avoid a confrontation with his own followers by introducing reform by administrative permit and exemption.

Rhodesia could yet sway more whites to believe in the need for accommodation. The conciliatory attitude of Mr. Mugabe has produced a mild euphoria, in sharp contrast to the horror with which he was regarded only last week. But a backlash is inevitable from diehard whites. This week, matters were patched up, but few believe that the *truce between Mr. Botha and Dr.* Treurnicht is more than temporary.

Mr. Botha has not made very obvious inroads into black scepticism about his motives. It is not the Mixed Marriages Act which creates black suffering, but the whole system of influx control and group areas, which dictates where blacks may live and move according to the writ of white bureaucracy. Influx control is fundamental to the grand strategy of apartheid which Mr. Botha has not questioned. *He has even made* the system stricter, by greatly increasing fines on employers of "illegal" black workers.

Mr. Botha's *Verligte* supporters in the Afrikaans Press are calling for the Government to learn from Mr. Mugabe's victory by talking to the "real" black leaders now. But the Government has just confiscated the passport of Bishop Desmond *Tutu, Secretary General of the* South African Council of Churches, and one of the last black leaders who advocate peaceful change and yet enjoy *a measure of support.*

Mr. Botha has a real problem finding any black leaders of consequence to talk to. A recent survey of urban blacks concluded that there was no one who enjoyed widespread support, although most had heard of Mr. Nelson Mandela, the former president of the banned African National Congress who is serving a life sentence. Generally, the study concluded, urban blacks were negative, alienated and leaderless: they were opposed to the system, but had nothing clear to offer in its place.

The most urgent problem *facing* Mr. Botha is to head off international pressures arising from Namibia, in spite of his real fear that SWAPO might take over. Although there is considerable sympathy for his predicament from the western powers, especially Britain, and the U.S. Government is not going to whip up the issue in an election year, they may not *be able to stem African pressures* at the UN for ever.

Ultimately the international community's prime interest, rightly or wrongly, is in South *African domestic policies.* If Mr. Botha can come to an accommodation with black South Africa, he can head off the pressures. So far he has been consistent and forthright in warning his own white people of the need for accommodation and change. He has not been so clear on just what form that change should take. He is walking a knife-edge between white backlash and black revolt, between international pressure and political survival, without really knowing where he is going.

Letters to the Editor

Protectionism no solution

From the Director
British Importers Confederation

Sir,—Speaking on behalf of British textile importers we are pleased to read in Mr. Alec Smith's letter (February 29) on imports of textiles that productivity in the clothing industry has been increasing at a rate much faster than for manufacturing industry in general. Such an increase *is* the *only* way *to* combat competition from overseas; it will not be done by import controls.

The practical result of restricting imports from developing countries is that the gap in Britain is being rapidly filled by imports from other developed countries. The first long-term agreement on textiles, negotiated in 1962, was designed to give manufacturers time to re-equip and to become competitive with the third world. But our position has not improved and industry calls for more and more protection.

Mr. Smith talks of "fair competition." But fair competition for whom? Certainly not for *developing countries.* Britain imports 10 per cent of its manufactured goods from the third world which in return buys 28 per cent of our exports.

Mr. Smith also implies that the UK was "short changed" during the last multi fibre arrangement negotiations. But the facts would appear to indicate that it was the developing countries which were short changed. The number of products under import quota restrictions was increased from 60 to some 130 and the allowance for import *growth*, previously 6 per cent per year, was reduced in many important cases. For example, for India and Pakistan (where most of the world's poor live) import *growth for many* important items was fixed at 0.25 per cent and 4 per cent per year. The present MFA has reserved at least 70 per cent of the EEC market for domestic producers or other developed countries.

Competition from imports can only be solved by adapting ourselves to changing patterns of trade and expanding our exports. Developing countries must be allowed to improve their standards of living which in turn will provide expanding markets.

The crux of the whole problem is that British exports have fallen dramatically. In 1950 Britain provided 25 per cent of the world's exports of manufactured goods; today the figure is 9 per cent. Protectionism will not solve this problem but will only make it worse as we withdraw from world competition.

E. Ira Brown,
69 Cannon Street, EC4.

Monitoring the public sector

From the chairman, Post Office Users' National Council.

Sir,—Your leading article on "Monitoring the public sector" (March 6) highlights the inadequacy of the existing means of overseeing the nationalised industries.

It is all too clear that where nationalised industries enjoy a monopoly they can achieve Government-set financial targets simply by increasing prices or reducing services. There is at present no machinery for imposing any sanctions related to efficiency and productivity, and customers have some justification for believing that their interests go by the board.

There have recently been two substantial increases in postal charges, totalling some 40 per cent, *without any assurances* about improvements in productivity or the quality of service. Our report recommended that part of the second round of increases should be deferred until hard evidence of such improvements was produced, but Government approved the full increases and customers have no guarantee that Post Office management and staff will succeed in achieving the higher level of performance that is undoubtedly possible.

I await with interest the report of the Monopolies and Mergers Commission's inquiry into letter post services in London. But sporadic Government intervention in nationalised industries' affairs and occasional inquiries by the MMC are no substitute for a more searching and continuous monitoring of the industries' performance. You rightly said in your leader that the present Government is continuing the ad hoc tradition of its predecessors. After more than 30 years of experience of these vital industries, it might have been hoped that all political parties could agree upon the need for an effective means of monitoring their performance. Consumer councils have an important role to play but it is an unequal battle and Government must devise a way of ensuring that the public sector is subject to comparable sanctions which *apply in the private sector.*

So far as the Post Office is concerned, a start might be made in connection with the hiving-off of telecommunications into a separate business. POUNC has advocated the establishment of a regulatory body with powers to approve equipment to be attached to the network by subscribers and the provision of value added *services;* and to regulate tariffs. This is in line with the suggestion for a public utilities commission put forward in your leader. It would, I feel, engender a proper climate of competition to the benefit of the customer.

John Mongan,
POUNC,
Waterloo Bridge House,
Waterloo Road, SE1.

Return of the failed mark

From the Senior Assistant Secretary, Associated Examining Board

Sir,—I refer to Michael Dixon's article "Return of the failed mark at 16-plus" (March 3) and would bring to your *attention several* points concerning GCE ordinary level examinations on which it appears that he may have been misinformed.

It is not true that since the award of official grades ordinary level certificates are awarded to virtually all candidates who previously would have failed. Grades D and E are awarded for work which is not very far below the former pass standard (now grade C). Last June about one fifth of the Associated Examining Board's candidates failed to gain any grade and they received no certificates in those subjects where they did not reach the grade E standard. The proportion of unsuccessful entries was not constant and exceeded two fifths of the entry in several subjects.

Nor is it true that grade awarding is a simple statistical exercise with fixed proportions of candidates gaining grades. Our awarders consider very carefully the demands made by question papers and the candidates' responses to those demands. Awarders know what *levels of specific skills and* abilities candidates must demonstrate. Reference is also made to work from past examinations in order to ensure that correct standards are maintained. Statistical evidence is available and is used but not in the way suggested by Michael Dixon.

Finally, CSE grade 1 is awarded to a candidate whose performance in the CSE examination indicates that, had he taken the GCE ordinary level course in that subject, he might reasonably have secured grade A, B or C in the ordinary level examination. It does not necessarily follow that he will have gained the knowledge or developed the skills and abilities tested in the Ordinary Level examination.

S. J. Owen.
The Associated Examining Board,
Wellington House,
Aldershot, Hampshire.

Credit cards

From Mr. D. Stone

Sir,—Mr. Simons (March 10) in his suggestion for reducing consumer credit purchases by *hitting at credit cards only* appears to have seen one side of the story. Undoubtedly, the charge levied on retailers by the credit card companies has advantages for the retailer. For example, a local garage, following the introduction of one of the cards transferred all the monthly petrol accounts with a saving in costs that more than covered the service charge. In addition it must be worth quite a bit, especially to the small retailer to know that when he has complied with the instructions issued by the credit card companies, that the money received is guaranteed thus removing the worry caused by unpaid cheques which has not been totally eliminated by the cheque guarantee card.

If restrictions are to be introduced, why not treat the hire purchase companies in the same way as the clearing banks with penalties for exceeding set limits?

May I ask why Mr. Simons considers that bank staff should moderate their claims especially when comparing settlements over the past five years with the national average?

David G. Stone.
Braemar House,
13, Montague Road,
Felixstowe,
Suffolk.

Co-operation by trade unions

From Mr. A. Beard

Sir,—I was amused to read (March 10) Mr. Murray's remark that the Government can expect little co-operation from the trade union movement. This will hardly be news to anyone more than one year old, for was it not through the trade union movement's failure to co-operate with the Government that the country endured the most appalling labour troubles just 12 months ago, resulting in Labour losing the election by a resounding majority.

Mr. Murray is reported to have said that trade unionists were fed up with a system in which money was king. Is it not trade unionists who have refused an offer made by British Steel Corporation which manifestly *their members would* be willing to accept and return to work? When was money not king in the trade union movement?

Mr. Murray attacked the Government for a deliberate policy of high unemployment. What utter rubbish! High unemployment in this country has come about as a direct result of trade union policies so that labour has virtually priced itself out of the market.

Mr. Murray asks the Government to work with trade unions on solving Britain's ills. May I respectfully suggest that, as a first step, the trade unions try working with management. By far the bulk of our industrial ills can be laid squarely at the doors of the trade union movement with its restrictive practices, incessant disruption and short-sighted policies dictated not by the brotherhood of men but by greed and envy.

Mercifully, however, there have been some encouraging indications recently that union members are as fed up with the undemocratic and nationally destructive tactics of their leaders as any sane person in industry must be.

A. L. Beard.
Woodfield,
Sparken Hill,
Worksop, Notts.

Glorious and undivided

From Mr. A. Lynch

Sir,—William Hall slights Trinity House in his article (March 10) on the ferry pilots dispute by saying that its full title is The Corporation of Trinity House of Deptford Strond. That, according to the words of the Merchant Shipping Act 1894, is what it is "commonly called." Its full title is "The Master, Wardens and Assistants of the Guild, Fraternity or Brotherhood of the Most Glorious and Undivided Trinity and of St. Clement in the Parish of Deptford Strond in the County of Kent"—not a body to be trifled with by such an upstart as the EEC.

A. Lynch,
128, Meols Parade,
Wirral, Merseyside.

Tax allowances for commuters

From Mr. P. Ravenscroft

Sir,—As a commuter whose next season ticket will cost over £800, I feel qualified to comment on the proposal by Westminster Chamber of Commerce (March 7) for tax allowances of up to £400 for commuters and tax-free bonuses for "discount certificates."

The other face of the coin of tax relief to a selected group, is a subsidy by all taxpayers. Why should he who walks or bicyles to work help to pay for my long journey? Furthermore, those who commute long distances very often pay less for their accommodation for that very reason. Why should they have their cake and eat it?

More fundamentally, travelling long distances from home to work is a waste of natural resources (energy). It leads to a lack of integration between home and work life which is artificial and can be damaging, and which should certainly not be encouraged by subsidies.

Pelham Ravenscroft
Oakwoods Farmhouse,
Near Selborne,
Alton, Hants.

Today's Events

GENERAL

UK: Polling in Southend East by-election.

Construction industry pay talks resume with Transport and General Workers Union and Union of Construction, Allied Trades and Technicians.

Prince Philip tours West Midlands.

TUC women's conference continues, Brighton.

National Union of Mineworkers' executive meets.

Mr. Clive Jenkins, Association of Scientific, Technical and Managerial Staffs general secretary, speaks on prevention of occupational cancer, London.

Prince Charles visits Department of Industry, Victoria Street.

Memorial service for Mr. Patrick Hutber, former business editor and associate editor of Now! magazine, St. Bride's Church, Fleet Street (12.30 pm).

Overseas: Mr. Charles Haughey, Irish Prime Minister, meets Mr. Raymond Barre, French Prime Minister, Paris.

European Parliament in session, Strasbourg.

Lord Carrington, Foreign Secretary, on official visit to Romania.

PARLIAMENTARY BUSINESS

House of Commons: National Health Services (Invalid Direction) Bill. Motions on Appropriation (Northern Ireland) Order and County Courts (*Northern Ireland*) *Order.*

House of Lords: Education Bill, committee. Appropriation (NI) Order and County Courts (NI) Order.

Select Committees: Agriculture. Subject: Implications of the Common Agricultural Policy on milk and dairy products. Witnesses: Union of Shop, Distributive and Allied Workers. Transport and General Workers Union, National Union of Agricultural and Allied Workers. Room 16, 11 am. Home Affairs. Sub-committee on Race Relations and Immigration. Subject: Race relations and the Sus law. Witnesses: Commission for Racial Equality, Runnymede Trust. Room 15, 4.30 pm. European Legislation. Subject: Common Agricultural Policy. Witnesses: Mr. Peter Walker, Minister of Agriculture. Room 16, 4.30 pm.

COMPANY MEETINGS

Charter Trust and Agency, 20 Fenchurch Street, EC, 2.30. Henlys, Henly House, 385-387 Euston Road, NW, 12.

COMPANY RESULTS

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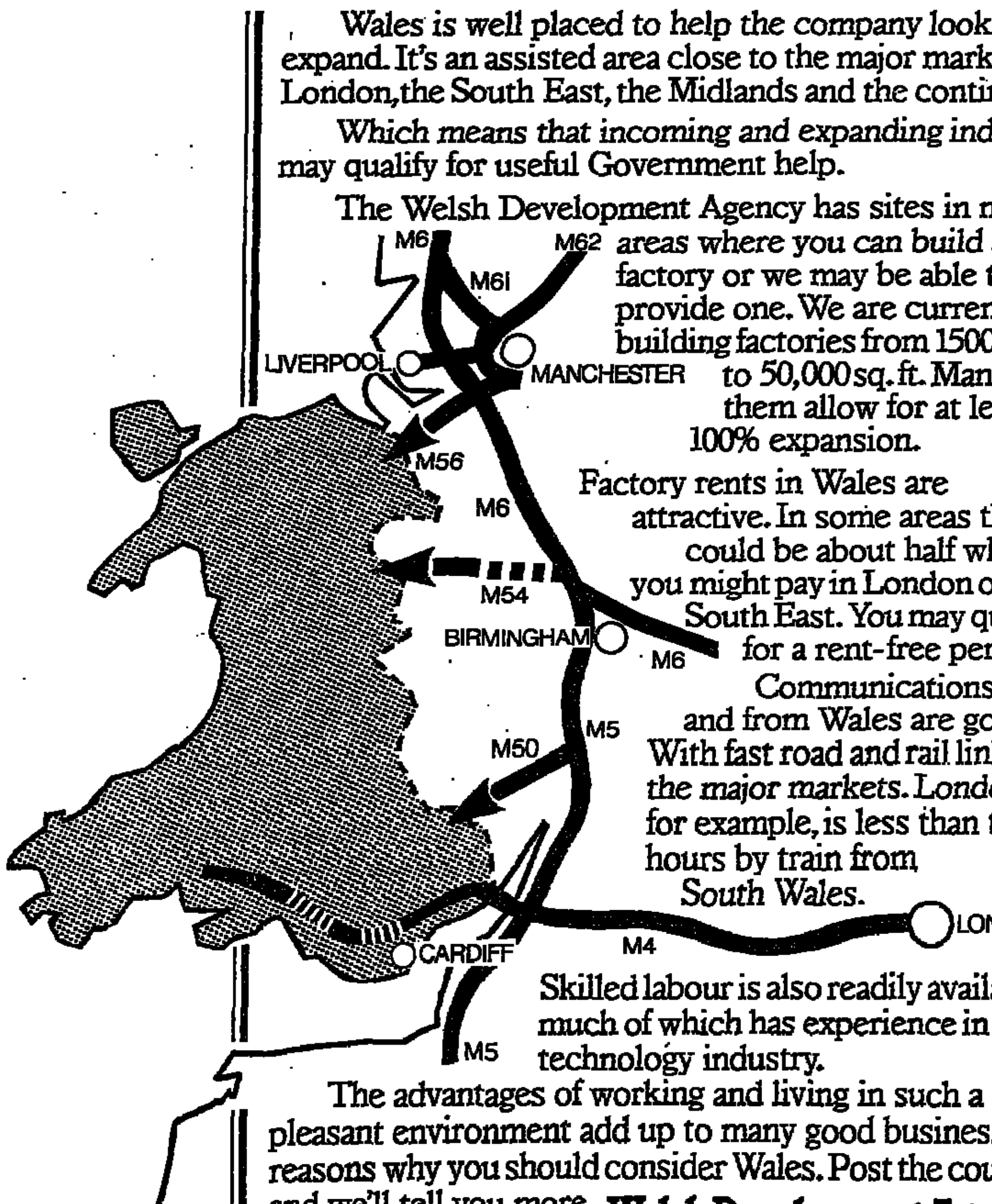

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ICI curbs spending plans in face of adverse outlook

HIGHLIGHTS

Lex looks at the latest figures from **Turner and Newall**, where a serious and unexpected second-half slump has hit the group's results, though the directors sound confident that the slide can be halted in the current year. Lex passes on to the **ICI** report and accounts which reveal a large increase in net borrowings as capital spending reaches its peak. **BSR** has taken a tumble due to the trend in sterling and a weak U.S. market for its products and pre-tax profits are down from £15.2m to £3.9m, the final dividend has been cut. Finally **Woolworth** produces a 7.8 per cent profit increase while volume has shown a marginal decline. On the inside pages **United City Merchants** comes in for comment. Two large lines of stock went through the market, **Sears and LWT**, and **Hepworth** announces a bid for **J. E. Turner**.

BECAUSE OF the adverse outlook capital spending proposals approved at **Imperial Chemical Industries** in 1979 was held at £236m below the previous year's level of £788m. However, Sir Maurice Hodgson, the chairman, said yesterday, that new capital authorisations in the current year would continue at a very high level and five major plants would come on stream.

The reduction in last year's spending proposals was made because of lower forecast demand for chemicals and inadequate cash flows and real profitability.

Actual capital expenditure during the 12 months, on the other hand, was up from £701m to £760m because of the higher levels approved earlier. At year end *£865m, against £1.07m*, had been sanctioned but remained unspent.

Sir Maurice said that though the predicted recession had not yet happened, for the UK the outlook was negative growth and he expected the chemicals business to stay "just about static."

He also expressed caution that the weaker dollar and U.S. energy prices significantly below world levels, which had already affected fibres, would he having an impact in other parts of the industry quite soon. The next to suffer could be plastics he suggested.

Overall the relative security of a substantial proportion of the group's oil requirements, the strength of its export performance and programme of plant replacement and technological improvement will enable it to cope with the uncertainties of the 1980s as well as any of its competitors, the chairman states.

But success would only go to the most efficient, so "we are continuing to seek improvements in the use of fixed and working capital energy and manpower."

The chairman says in his report that, although profits showed some recovery last year from the trough of 1978 they are still insufficient to support the group's investment needs. As reported February 29, taxable profit for 1979 was ahead to £560m (£421m) on external sales of £5.37bn (£4.53bn).

During the year the group increased working capital by £262m, a rise of 23 per cent, but the higher investment spending meant drawing on liquid resources. At year end net liquidity was down £256m (£157m) at £139m. Total borrowings were up at £1.39bn (£1.29bn).

The net dividend, as known, is being stepped up from 18.46586p to 23p.

An analysis of sales and trading profit of £655m (£504m) by activity shows: agriculture £995m (£873m) and £159m (£150m); fibres £471m (£420m) and loss £33m (£13m); general chemicals £1,038m (£895m) and £141m (£128m); industrial explosives £196m (£192m) and £18m (£22m); oil £559m (£236m) and £79m (loss £16m); organic chemicals £519m (£502m) and £7m (£21m); paint and decorative products £416m (£429m) and £30m (£24m); petrochemicals £1,076m (£673m) and £98m (£54m); pharmaceuticals £317m (£293m) and £66m (£68m); plastics £748m (£625m) and £56m (£39m); miscellaneous £115m (£88m) and 12m (£2m). Less inter-company sales £1,082m (£693m). Royalty income nil (nil) and £22m (£25m).

Total pay for ICIs 21 directors went up from £979,000 to £1,228,000 and pensions and other payments to former executive directors from £1,932,000 to £2,146,000.

Sir Maurice was the highest paid at £124,380—almost £18,000 more than his predecessor Sir Rowland Wright was paid in the previous year.

Five non-executive directors were paid between £5,000 and £10,000 and one other besides Sir Maurice was paid over £120,000. Five employees were paid between £60,000 and £65,000 and a total of 585 (292) topped £20,000.

Meeting, Royal Garden Hotel, W, on April 14, at 11 am.

See Lex

Turner & Newall fails to recover and profits slump

THE EXPECTED second-half recovery by **Turner and Newall** did not materialise and this has been blamed on the weakening of home and export markets late in the year and the serious disruption caused in the UK by the national engineering strike.

Group pre-tax profits in the first six months were £18.8m against £21.3m, but there was a sharp fall in the second half when the figures were down from £18.4m to £8.7m, making the total pre-tax profit £27.5m—a drop of £12.2m from the previous year.

First-half profits were depressed by the combined effects of bad weather, the road haulage dispute and the weak demand in some key markets. The improved *trend in the second quarter* was not maintained. The second half also bore the revenue costs of starting up three major new plants, while production of building materials continued to be affected by the completion of restructuring at TAC. All these factors resulted in UK trading profit for the year falling £7.4m to £17.9m.

In contrast, however, the European and overseas subsidiaries of this plastics, automotive components and chemicals and construction materials group improved their trading profit from £23.6m to £24.6m, although profit margins in the second half were lower than those earned in the first six months. Group trading profit, less expenses, amounted to £38.2m for the year against £44.5m. Interest charges were £5.6m higher at £14.1m.

Group sales were up from £618.9m to £676m and of this total, UK operations contributed £421.8m (£393.5m). European sales were up from £58.8m to £74.5m with trading profit £3.5m (£2.6m), and other overseas sales were £179.7m (£166.6m) with trading profit up fractionally from £21m to £21.1m.

A divisional breakdown of sales and profits shows: plastics and industrial materials £241.7m (£215.2m) and £12.2m (£12.5m); automotive components £182.6m (£164.7m) and £11.3m (£14.5m); chemicals £58.5m (£53.8m) and £5.9m (£6m); construction materials £139.3m (£137.1m) and £5.2m (£9m); and mining £53.9m (£48.1m) and £7.9m (£6.9m).

Tax charged was down from £17.7m to £16.5m, comprising UK £4.9m (£6.1m), overseas £10.2m (£10.1m) and associated companies £1.4m (£1.5m). Profit after tax was halved to £11m.

Profit attributable after extraordinary credits of £3.4m (£7.6m debits) was £10.2m (£10.1m). The extraordinary items principally include the sale of the Bexphane business of Storeys and the disposal of half the investment in SA Francaise du Ferodo.

Operating results of the Zimbabwe Rhodesia subsidiaries have not been included in the annual figures because of the changing political situation.

As stated in the interim report, the board is recommending a net final dividend of 7p (same) per £1 stock unit, making the total an unchanged 11.5p. Net earnings per stock unit are shown as 6.29p against 17.44p.

See Lex

DIVIDENDS ANNOUNCED

	Current payment	Date of payment	Corresponding div.	Total for year	Total last year
Britannic Assur. Co.	7.35	May 1	5.79	11.9	10.15
BSR	1.41	May 23	3.92	2.83	5.33
Lambert Howarth	2.91	May 12	2.5	4.06	3.5
Maynards ... int.	1.88	May 1	1.69	—	7.5
Montfort	5.73	—	2.84	7	3.93
Thos. Robinson	4	May 15	2.95	4.82	3.78
Turner & Newall	7	July 3	7	11.5	11.5
UCM ... int.	0.6	May 30	0.39*	—	1.69*
H. Woodward	1.7	—	1.56	2.2	2.07
F. W. Woolworth	3.57	—	3.25	4.92	4.47

Dividends shown pence per share net except where otherwise stated.

* Equivalent after allowing for scrip issue. † On capital increased by rights and/or acquisition issues.

UCM tops £2m in first half

From increased turnover of £106.6m against £78.42m, profits before tax of **United City Merchants** rose from £1.97m to £2.05m in the first half year ended December 31, 1979.

The directors are effectively lifting the interim dividend from 0.39375p to 0.6p—the previous total was equal to 1.694875p from pre-tax profits of £3.27m.

First half profit is after convertible loan interest of £36,000 (£59,000). After UK and overseas tax of £1.05m (£1.01m) and £?000 (£51,000) minorities the available profit is £926,000 compared with £916,000.

First half profits of **Pharaoh Gane and Co.**, a member of the UCM timber division, rose from £269,000 to £375,000 before tax of £190,000 (£140,000). Turnover improved from £33.85m to £56.06m.

On the leather manufacturing side, **Stimpson-Perkins** reports pre-tax profits down from £267,000 to £195,000 although turnover was better at £4.11m against £3.59m in the same period last year.

Net profits were £106,000 (£124,000). The directors say the reduced profits were due to a change in the accounting basis for depreciation. However results are considered satisfactory having regard to adverse trading conditions in the first half and the squeeze on profit margins throughout the industry.

● comment

Pre-tax margins at United City Merchants are down half a point to 1.95 per cent against last year's halfway stage. The main reason is higher overheads. Wage and fuel costs hit profits at leather makers Stimpson-Perkins, where output prices are restrained by keen competition among the principal customers, footwear makers. The boost to group turnover is largely thanks to the Pharaoh Gane timber merchants, where prices have risen some 20 per cent. But UCM is experiencing worsening terms of trade, with late-paying customers forcing involuntary and costly stocking. If the second half profits show a similar relationship to last year's, the indications are for a full-year turnover of around £3.3m pre-tax. On that basis, the fully-taxed prospective p/e is 6.7. A comparable increase in the full-year dividend total indicates a yield of around 13 per cent at 30p.

Leasing boom helps profits of Forward Trust to improve 24%

Forward Trust Group, the newly created vehicle co-ordinating the entire instalment credit, leasing and factoring business of *Midland Bank, has* announced a 24 per cent increase in pre-tax profits to £31.2m for 1979.

This is the first time figures for Forward Trust, the instalment credit house, Midland Montagu Leasing and Griffin Factors have been consolidated, so the comparison is with pro-forma figures for 1978.

As part of the merging of the three businesses, the year end for Forward Trust has been moved from October 31 to December 31 to conform with the parent company. As a result some of the increase in profits is attributable to the extra two months' trading figures from Forward Trust. (In the 12 months to October 1978 FT made profits of £14.6m).

The bulk of the increase, however, is attributed to organic growth in leasing business, which rose from around £170m in 1978 to £212m last year, and to increased new factoring business for small and medium-sized companies. Factoring still remains, however, the smallest of the three businesses, contributing about £1m to pre-tax profits on turnover 32 per cent higher. Leasing and instalment credit provide the remainder in basically equal proportions.

Growth at Forward Trust has been held back by the impact of the rise in interest rates on existing business written at *fixed rates. However, Mr. John* Harris, chief executive of the new group, said yesterday that much of the instalment credit business was now at variable rates.

Four-fifths of the group's business is in the commercial and industrial sector where growth is stronger than in consumer credit. Experience to date, Mr. Harris said, suggested that some companies were likely to be deterred by the economic climate from capital investments but so far, business already in the pipeline was still coming through.

The coming year presented a number of imponderable factors, Mr. Harris said, and as a result no prediction could be made for profits. However, there was as yet no evidence of significant increase in bad debts, defaults or insolvencies.

Mr. Harris expected benefits to arise in the coming year from the grouping of the three types of business, both through wider access to markets and internal cost savings.

The figures for Forward Trust Group, which will be followed tomorrow by those for the whole Midland group, reflect a change in accounting policy for leasing business. Instead of crediting leasing income to profit and loss in proportion to outstanding rentals, income is now related to funds invested. This has had *the effect of boosting profits by* about £5m. The 1978 figures have been adjusted to match.

The bulk of the leasing business also attracts capital allowances which are reflected in the tax credit of £21.1m.

Weeks Assoc. sees higher profit at RAP

Rubber and Allied Products, acquired by **Weeks Associates** last year, produced pre-tax profits of £371,082 in the 12 months to October 31, 1979—£46,082 above the warranted profits at the time of the acquisition last May.

Weeks Associates has now paid five times this excess, completing full settlement of the purchase price of £1.73m. Weeks Associates' annual figures for the year ending January 27, 1980 will include consolidation of RAP results to that date.

Taxable profits for RAP in 1978 were £274,770 on turnover of £2.23m. The surplus this time represents an increase in profit of 35 per cent on turnover of £2.69m.

Montfort jumps by 72% and increases dividend

FOLLOWING A 48 per cent increase at the interim stage, pre-tax profits of **Montfort (Knitting Mills)** for the year to December 31, 1979 show an improvement of 72 per cent.

In line with the directors' early December forecast of profits in excess of £900,000 and earnings per share of over 25p, the surplus is increased from £528,058 to £909,939, and, on a net basis, earnings per 25p share are 25.998p (15.249p).

A major factor was the much-improved performance of the three knitted garments units following several difficult years. The socks factories also increased their contribution.

Turnover rose from £10.08m to £11.92m, including exports of £1.55m (£1.38m). The increase in overseas sales was comparable with the average growth for the UK knitted goods industry, say the directors.

They add that although sterling turnover indicated only modest growth in real terms, the increase in volume sales was more significant, reflecting additional effort and improved efficiency.

As forecast, the total dividend is lifted to 7p (3.925p) net with a final of 5.725p.

Tax takes £139.748 (£164,491) and after distribution, including preference shares, of £214.433 (£113.577), the retained surplus emerges at £555,758 (£249,990).

In the current year, directors say that the order book is not unsatisfactory and, given reasonable support from major customers in the second half, they expect satisfactory results in 1980.

SHARE STAKES

Weir Group—As a result of recent transactions, Dr. Weir has a beneficial interest in 409,553 ordinary and a non-beneficial interest in 779,500 ordinary shares.

Muirhead — Sir Raymond Brown, director, has sold 200,000 ordinary. He has also exercised his option and acquired 15,842 shares. Sir Raymond's holding was formerly 527,500 shares (6.2 per cent) and is now 343,342 shares (4.1 per cent).

Burton Group—Mr. S. H. Burton, director, no longer has a non-beneficial interest in 25,291 ordinary shares.

Stead and Simpson—Mr. G. S. Gee disposed of 20,000 "A" ordinary shares.

Aran Energy cash call

BY STEPHEN THOMPSON

ARAN ENERGY, the Dublin-based oil exploration concern, is proposing to raise IR£6.37m by way of a two-for-five rights issue at 250p per share.

The proceeds of the issue will be used to fund its share of drilling costs during 1980 and 1981, to pay for the increased *interest in Blocks 26/28 and* 12/22 in the Porcupine Basin off the Irish coast and to reduce short-term borrowings.

The issue will be to holders of ordinary shares on March 18. Last acceptance day will be April 21.

Silvermines, Bank of Ireland and FBD Insurance have undertaken to subscribe for a total of 35 per cent of the issue. The Investment Bank of Ireland and Morgan Grenfell will underwrite the balance, subject to the passing of the resolution and the despatch of provisional allotment letters. Brokers to the issue are J. and E. Davey and Cazenove and Co.

The present unissued share capital of Aran is insufficient for the issue. Therefore it is also proposed to increase the authorised capital from IR£7.5m to IR£12.5m by the creation of 5m ordinary shares of IR£1. To effect this increase an extraordinary general meeting is being convened for 10 am on March 31.

Aran says that during 1980 and 1981 two wells will be drilled in Block 26/28 and one well in either Block 26/24 or 26/29. The share of the costs of these wells will be approximately IR£3.2m.

Lifting Aran's stake in Blocks 26/22, 26/28 and 12/22 from 11.14 per cent to 16.67 per cent will cost IR£1.4m. Last September BP discovered oil in the 26/28-1 well. Shares in Aran Energy fell 11p to 354p following the rights issue news.

OYEZ DISPOSAL

Oyez Business Machines, part of the Oyez group, has transferred its interests in office equipment to two specialist organisations already firmly established in this field.

With effect March 1, 1980, Oyez Business Machines transferred its office product sales and servicing, and certain aspects of its copier servicing operations, to the Office International Group. At the same time, the company transferred its Lumoprint trade sales and servicing operations to Caribonum.

Mercantile Trust still under pressure to reduce discount

BY TIM DICKSON

REBEL shareholders of the £70m **Mercantile Investment Trust** are planning to keep up the pressure on their directors at next month's annual meeting.

An ordinary resolution urging the company to "take all appropriate steps necessary" to reduce the discount between Mercantile's share price and net asset value now seems likely to be proposed at the meeting on April 22.

If tabled, the resolution, however, only has the force of a recommendation. Last year Mercantile gained wide, if unsolicited publicity, when broadly the same shareholders put forward a special resolution giving the Board one year to come up with a plan effectively to liquidate the company.

If successful Mercantile would have been legally obliged to carry out this proposal. In the event, the special resolution was heavily defeated, although the company's biggest shareholder Save and Prosper abstained and the Post Office Staff Superannuation Fund actually voted in favour.

"I decided on an ordinary resolution this time because I felt the chances of getting a special resolution through were something less than nil," Mr. Christopher Campbell, the accountant who is one of the shareholders behind this year's and last year's proposals, conceded yesterday. "The idea is to keep up the pressure on the directors."

Mr. Campbell claims to have the support of at least 100 shareholders (the number needed to put this resolution), including "some support from institutions."

At this stage there is some doubt as to whether the proposed ordinary resolution will be put. Mr. Campbell and Mercantile's chairman Mr. Gerry Jamieson have been involved in discussions which could still lead to some sort of compromise.

Mr. Campbell emphasised that he now agrees with Mr. Jamieson's contention at last year's annual meeting that unitisation is an impracticable solution. "I realise that there are a lot of prior charges and unmarketable securities which may make this difficult to achieve. But I still believe that the discount won't *go away and that the board will* have to find another answer."

Mr. Jamieson said yesterday that it was the directors' duty to run the company as efficiently as they could. "If the shareholders are not happy they must take action."

Mr. Jamieson revealed, however, that in his statement in the annual report later this month he will be discussing three or four options which could help reduce the discount.

He added: "There is nothing which we have looked at yet which appeals to us sufficiently to give me cause for optimism."

Mercantile's share price has been moving up steadily in anticipation of next month's meeting. The price touched 50p earlier in the week, but was *standing at 49p yesterday* where it stands on a below average discount of around 22 per cent.

SPAIN

March 12	Price %	+or−
Banco Bilbao	226	
Banco Central	250	−4
Banco Exterior	210	−3
Banco Hispano	221	−2
Banco Ind. Cat.	132	−3
Banco Madrid	155	
Banco Santander	265	−7
Banco Urquijo	170	−2
Banco Vizcaya	232	−2
Banco Zaragoza	205	−2
Dragados	100	−0.5
Espanola Zinc	60	
Fecsa	57.50	+0.30
Gal. Preciados	33.50	−0.50
Hidrola	64	+0.80
Iberduero	59.20	+0.20
Petroleos	106.70	−0.30
Petroliber	65	
Sogefisa	111	−2
Telefonica	54.20	
Union Elect.	62.70	+0.50

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1979-80 High	Low	Company	Price	Change	Gross Div (p)	Yield %	P/E
99	70	Airsprung	71	—	6.7	9.4	4.2†
50	35	Armitage and Rhodes	35	—	3.8	10.9	2.3†
237	155	Bardon Hill	237	—	13.8	5.8	6.9†
100	85	County Cars 10.7% Pf.	85	—	15.3	18.0	—
101	63	Deborah Ord.	93	—	5.0	5.4	10.2
100	88	Frank Horsell	100	—	7.9	7.9	6.2
129	100	Frederick Parker	100xd	—	12.8	12.8	4.8†
156	102	George Blair	105	—	16.5	15.7	—†
67	45	Jackson Group	67	—	5.2	7.8	3.9†
153	113	James Burrough	116	—	7.2	6.2	10.2
300	242	Robert Jenkins	257	—	31.3	12.2	8.2†
232	175	Torday	217	—	14.3	6.6	5.6†
34	16½	Twinlock Ord.	18¾	—	0.8	4.5	3.8†
80	70	Twinlock 12% ULS	76	—	12.0	15.8	—
56	23	Unilock Holdings	50	—	2.6	5.2	10.6
87	42	Walter Alexander	87	—	4.4	5.0	5.8
190	136	W. S. Yeates	181	—	11.5	6.3	7.0

† Accounts prepared under provisions of SSAP 15.

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BIDS AND DEALS

J. Hepworth offers £9m for W. & E. Turner

J Hepworth, the men's clothing group, yesterday revealed itself as the bidder for Leicester shoe, hosiery, and handbag retailer **W. and E. Turner** with an agreed cash bid worth just over £9m.

Hepworth is offering 87½p a share compared with Monday's suspension price of 48p and the terms have been accepted by *Turner directors, their families*, and other shareholders for 52.1 per cent of the shares.

Turner also released its figures for last year, showing a rise in pre-tax profits from £1.37m to £1.68m on a turnover increase from £12.85m to £16.01m.

After tax, Turner's profits totalled £754,000 against £821,000, before an extraordinary debit of £46,000 (£208,000), chiefly representing property sales. Retained profits were £717,000 (£883,000) and earnings per share 7.27p (7.92p) after tax and 16.2p (13.26p) before.

Hepworth said it intends to continue Turner's operation along its present lines. Turner's *managing director, Mr. Trevor* Morgan, said the proposed merger had to be seen in the context of the changing nature of the retail trade.

"I believe that the future of the retail trade lies with those companies who have activities in different sectors," he commented. Turner was very small in comparison with the large High Street groups, of which some, like Burtons, now had their own shoe departments.

Hepworth's shares dipped 4p yesterday to close at 69p. For those Turner shareholders who do not want cash, Hepworth is making 3.45m of its shares available instead of any multiple of 72p of the cash to which they would be entitled. Hepworth is being advised by Kleinwort, Benson and Turner by County Bank.

NO PROBES

The following mergers are not to be referred to the Monopolies and Mergers Commission.

Burns Philp and Company/S. Hoffnung and Company; City and Continental Property Group/The Australind Steam Shipping Company; Furness Withy and Co./Metcalfe Shipping Company; Hong Kong and Shanghai Banking Corporation/The remaining *shares in Antony Gibbs Holdings* which it does not already own; and Glaxo Holdings/F. H. Faulding and Co.

Airfix sells footwear business

Aifix Industries is disposing of its loss-making footwear subsidiary for a nominal sum.

The ompany, Airfix Footwear, which incurred a loss of £205,000 for the year ended March 3, 1979, is being sold to a consortium formed by Mr. M. Binns, Sir Aubrey Brocklebank, Mr. R. de Keyer and Dr. M. Sinclair. They intend that the company will continue as a footwear manufacturer.

Airfix considers that the sale is in the best interests of both the group and the employees at *Footwear. Severe competition* from imports, high interest rates and a reduction in UK demand will result in a further "substantial" loss for the current year, the directors state.

As a result of the loss the book value of Airfix's investment in the company, which stood at £790,000 at end 1979, will be eliminated.

TANGYE JOINS BOOKER GROUP

Tangye, manufacturer of high-pressure hydraulic jacks, is to become a member of **Booker McConnell Engineering's SPP** Group.

SPP chairman and chief executive Mr. J. A. Nutt and finance director Mr. R. A. Crane will join the Tangye Board.

$4.9m Belize disposal by International Timber

J. Gliksten and Son, a wholly owned subsidiary of **International Timber Corporation**, has sold its subsidiary Belize Estate and Produce Company, operating in Belize, Central America.

The buyer is Minter Naval Stores (Belize), owned by Mr. W. F. Belote of Georgia U.S., and the consideration is U.S.$4.9m of which $1m has been received, with the balance payable over five years with interest at 8 per cent per annum.

The sale is based on the balance sheet of the company on March 31, 1979 and a further amount will be payable relating to the increase in the value of the company at March 29, 1980. In *the last financial year turnover* amounted to £2.52m and taxable profits totalled £330,000.

In certain circumstances Minter may elect at any time up to March 25, 1982 to transfer back the whole of the then issued capital of BEC to Glikston, on condition that the company is essentially unchanged from the date of sale, in consideration of a waiver of the outstanding instalments of the purchase price and without recovery of any of the instalments already paid at the date of transfer.

Belize Estate owns about 70,000 acres of forest land in Belize. The company produces and exports hardwood lumber and acts as agent for a number of UK based companies, including Johnny Walker whisky, Alliance Assurance, Lloyds of London, shipping lines including T. and J. Harrison, and Ford Motor Company.

ESCOMBE TAKES ON PECKSTON BUSINESS

THE Escombe Group, part of P & O, has taken over the ships agency and forwarding business previously carried on by the Middlesbrough-based Peckston *Group, which has recently gone* into receivership.

Escombe, one of the biggest ship agency businesses in the UK, aims to strengthen the Peckston operations, which will trade under the name Escombe McGrath and Co.

Escombe accepts no liability whatsoever for any trading of Peckston Group, Peckston Shipping and T. A. Bulmer or any other companies in the Peckston Group.

THERMAL SYNDICATE EXPANDS IN U.S.

Thermal Syndicate has through its U.S. holding company, Thermal Syndicate Incorporated, acquired Refractory Welding and Fabrication Incorporated of Houston, Texas, which produces similar products to Thermal's Sub-Special Metals (Fabrication) of Rochford, Essex.

Both companies manufacture heat exchangers, vessels and other components from corrosion resistant metals such as titanium, tantalum, molybdenum, tungsten and zirconium.

The companies are operating in an expanding market, the largest portion of which is in the U.S., so that the acquisition of RWF will give the group a foothold in this market.

TRICENTROL PAYS IN SHARES

Tricentrol has elected to provide for £70,001 of the payment due to **Opman International (UK)** in respect of its royalty interest in Tricentrol's share of production from the Thistle Field for the three-month period to February 29, 1980 by the issue of 23,340 ordinary shares in Tricentrol.

Arrangements have been made for these shares to be placed in order to provide the cash payment due.

W. GOODKIND

The purchase by **W. Goodkind** *and Sons of the long leasehold* interest in Denton Park Shopping Centre, Newcastle-upon-Tyne, for £700,000, has been completed, and the 953,000 new Goodkind 10p shares have been allotted to the vendors.

The purchase and an increase in the authorised capital from £250,000 to £400,000 were both approved at an EGM on March 7.

Dealings in the new shares start today.

FURNESS WITHY

Mr. Frank Narby, the shipping entrepreneur, through his family investment vehicle Dolphin Investments, has again *increased his holding in Furness*, Withy, the British shipping group. The holding now stands at 11.52 per cent following the purchase of 251,250 shares at 370p and 18,750 shares at 372p.

Helix Investments, essentially the interests of the Webster family of Canada which has reached an informal agreement to act together over purchases and disposals of Furness shares, has bought 88,370 shares at 370p and 6,250 at 372p making its holding 1.05m shares (3.92 per cent).

Oriental Overseas Containers (Holdings), the Hongkong shipping group bidding for Furness, *has not yet dispatched the offer* document for the £96.5m bid which it has announced.

Under the City Code on Takeovers and Mergers the offer document should normally be posted within 28 days of announcement of the terms of the offer. Oriental's offer was made on February 13, but the 28-day rule is not imposed rigidly by the Panel and a little latitude on the posting date is *allowed*.

UK ECONOMIC INDICATORS

ECONOMIC ACTIVITY—*Indices of industrial production, manufacturing output (1975=100); engineering orders (1975=100); retail sales volume (1976=100), retail sales value (1971=100); registered unemployment (excluding school leavers) and unfilled vacancies (000s). All seasonally adjusted.*

	Indl. prod.	Mfg. output	Eng. order	Retail vol.	Retail value	Unem-ployed	Vacs.
1978							
4th qtr.	110.4	103.3	110	101.7	273.0	1,340	230
1979							
1st qtr.	109.7	102.2	98	100.7	276.5	1,351	234
2nd qtr.	115.3	107.6	104	106.2	297.5	1,299	256
3rd qtr.	113.3	103.1	100	99.5	300.6	1,269	247
4th qtr.	112.7	103.8		101.7	314.8	1,286	230
Sept.	111.3	100.4	96	99.4	302.4	1,264	243
Oct.	112.2	103.0	98	100.8	309.6	1,282	237
Nov.	114.0	105.4	110	102.5	317.5	1,282	234
Dec.	111.9	103.1		101.7	316.9	1,294	219
1980							
Jan.				102.8		1,339	207
Feb.						1,383	191

OUTPUT—By market sector; consumer goods; investment goods, intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1975=100); housing starts (000s, monthly average).

	Consumer goods	Invst. goods	Intmd. goods	Eng. output	Metal mnfg.	Textile etc.	Housg. starts*
1978							
4th qtr.	106.1	97.4	124.0	97.3	99.0	102.4	20.3
1979							
1st qtr.	105.5	99.0	126.5	98.5	98.6	99.1	12.9
2nd qtr.	109.1	103.2	133.7	102.9	110.6	103.6	21.3
3rd qtr.	105.6	95.7	132.8	94.8	104.9	100.7	20.7
4th qtr.	105.4	99.3	130.3	98.1	98.3	96.9	18.2
August	105.0	94.0	131.0	93.0	93.0	99.0	18.3
Sept.	104.0	92.0	131.0	89.0	107.0	103.0	21.2
Oct.	104.0	97.0	131.0	96.0	100.0	98.0	20.9
Nov.	107.0	101.0	132.0	100.0	100.0	97.0	19.2
Dec.	105.0	99.0	128.0	98.0	95.0	95.0	14.7

EXTERNAL TRADE—Indices of export and import volume (1975=100); visible balance; current balance (£m); oil balance (£m); terms of trade (1975=100); exchange reserves.

	Export volume	Import volume	Visible balance	Current balance	Oil balance	Terms trade	Resv. US$bn*
1978							
4th qtr.	122.5	112.9	−206	+447	−458	106.5	15.77
1979							
1st qtr.	109.0	116.9	−1,588	−1,216	−235	107.0	16.78
2nd qtr.	135.3	128.9	−486	−379	−229	106.4	21.69
3rd qtr.	129.8	128.1	−493	−307	−158	106.8	23.18
4th qtr.	129.3	128.9	−745	−595	−138	103.7	22.54
Oct.	124.7	129.7	−418	−368	− 95	104.4	22.49
Nov.	131.8	125.8	− 75	− 25	+ 28	104.1	22.42
Dec.	131.3	131.2	−252	−202	− 91	102.6	22.72
1980							
Jan.	130.1	128.9	−346	−296	− 74	100.5	23.71
Feb.							23.93

FINANCIAL—Money supply M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); domestic credit expansion (£m); building societies' net inflow; HP, new credit; all seasonally adjusted. Minimum lending rate (end period).

	M1 %	M3 %	Bank advances %	DCE £m	BS inflow	HP lending	MLR %
1978							
4th qtr.	14.9	11.9	8.6	+1,774	878	1,584	12½
1979							
1st qtr.	7.6	9.3	32.6	+1,525	777	1,581	13
2nd qtr.	9.7	17.2	28.5	+2,704	777	1,867	14
3rd qtr.	15.5	10.2	13.2	+2,407	933	1,879	14
4th qtr.	5.1	12.7	16.2	+3,053	839	1,954	17
Oct.	15.5	15.2	14.6	+1,565	544	663	14
Nov.	6.5	13.4	19.1	+1,243	134	698	17
Dec.	5.1	12.7	16.2	+ 245	161	593	17
1980							
Jan.	− 8.1	8.9	22.6	+ 522	235	671	17
Feb.							17

INFLATION—Indices of earnings (Jan. 1976=100); basic materials and fuels, wholesale prices of manufactured products (1975=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (Dec. 1971=100).

	Earnings*	Basic matls.*	Whsale. mnfg.*	RPI*	Foods*	FT* comdty.	Strlg.
1978							
4th qtr.	136.4	147.1	157.3	202.6	208.0	257.69	62.7
1979							
1st qtr.	144.2	153.4	161.6	208.9	218.8	268.88	64.0
2nd qtr.	147.3	163.2	168.0	216.5	225.2	293.55	67.4
3rd qtr.	154.2	169.9	176.4	231.1	231.9	301.66	71.0
4th qtr.	161.7	183.9	181.8	237.6	237.2	295.13	68.8
Sept.	153.6	172.5	178.2	233.2	232.6	301.66	69.8
Oct.	158.1	178.1	180.3	235.6	234.8	291.34	68.4
Nov.	162.1	186.0	181.6	237.7	237.0	297.22	68.4
Dec.	165.0	187.5	183.4	239.4	239.9	295.13	69.7
1980							
Jan.		193.4	188.5	245.3	244.8	308.69	71.4
Feb.		197.2	191.1			304.27	73.2

* Not seasonally adjusted.

News Intl. sells LWT 'A' shares

News International, which publishes the News of the World and the Sun, has sold its 25.18 per cent holding of "A" non-voting shares in **LWT Holdings**, the London Weekend Television franchise holder, at a profit of £3.85m over book value.

News announced yesterday that it had sold its holding of *4,053,293 shares for £4.84m. This* is equal to just over 119p per share which compares with a market price on Tuesday, the day the shares were sold, of 136p. Yesterday the shares fell by 13p.

The share placing was done through Cazenove and Company and it is understood that the shares went to a wide range of institutions.

News—which is retaining its 11.77 per cent of the ordinary voting capital of LWT—said yesterday that the "sale did not reflect any lack of confidence in the company's ability to obtain the renewal of its franchise."

The other holders of the voting capital are: Orion Bank for the Daily Telegraph 11.01 per cent, ITC Pension Trust 11.77 per cent, London Co-operative Society 6.97 per cent, Strand Nominees for Observer Partners 11 per cent, Pearl Assurance 11.77 per cent, and Samuel Montagu (Finance) 5.84 per cent.

In 1978-79 the group profit before tax showed an improvement from £6.5m to £6.92m but in the current year the effects of the ITV *strike is expected* to hit profits very hard.

AUSTIN REED

Austin Reed Group has acquired **Fogg and Ellis**, the Newcastle-upon-Tyne men's outfitters, for a sum not exceeding 1 per cent of the net tangible assets of Reed.

The acquisition of Fogg and Ellis, which is to continue to trade under its own name, brings the total number of retail outlets in the Austin Reed Group to 51.

Sears share placings

A total of 24m shares in Sears **Holdings** have been placed through the stock market in the last two days with about 50 institutions. The shares—repre*senting some 2.7 per cent of the* total Sears equity — were placed in two separate operations, at below market price.

On Tuesday Carr Sebag placed 4m shares with 20 institutions. These were believed to be part of the Clore family interests. Yesterday Cazenove & Co placed 20m shares with some 30 institutions. The source was not identified.

The shares were placed at around 37p to 37½p which compared with an unchanged share price of 39p in the market on Tuesday. Yesterday the price closed 1½p lower.

Mr. Leonard Sainer, chairman of Sears, expressed surprise at *yesterday's transaction. He said* he knew there were a few holders with that amount of shares but he could not identify them.

B & H SELLS CRAKE

The board of **Burnett and Hallamshire Holdings** has agreed to sell **Crake Scar Opencast** to Mr. W. Stonebank, a director of Crake, for £558,333 cash, reduced by a payment of £183,333 in respect of deferred consideration.

Midway boost for Maynards

INCLUDING AN exceptional credit of £497,000, against £26,000, taxable profits of **Maynards**, confectioner, improved from £1.21m to £1.65m for the 26 weeks ended December 31, 1979. External sales, excluding VAT, increased by 11 per cent from £21.68m to £24.15m.

Mr. H. Peter Salmon, chairman, says although sales for the current quarter are ahead of last year, they are not as buoyant as anticipated and industrial unrest in the country has adversely affected retail sales.

He adds, however, that having modernised its factories and opened two new distribution centres for the retailing operations, the group is well poised to take advantage of any upturn in this sector.

Trading profit for the six months was little changed at £1.39m (£1.37m), depreciation amounted to £236,000 (£186,000) and the pre-tax figure was boosted by the exceptional items —mainly the profit on the sale and leaseback of the group's Worthing shop, less goodwill of businesses purchased.

The interim dividend is 1.875p (1.694p) net per 25p share, which will absorb £91,419—last year's final payment was 5.806p from pre-tax profits of £1.36m.

Net profit for the half-year *came out at £1.32m, compared* with £1.12m, after tax of £337,000 (£91,000).

On the manufacturing side Mr Salmon says that improved packaging and marketing more than maintained group share, "of a very competitive market." With record production levels at the factories, prospects for increased profits are encouraging, once demand for confectionery recovers, he states.

Higher operating costs coupled with even more intensive price cutting by competitors adversely affected profits, on the retailing side, but the group is continuing its expansion and modernisation programme, "which in due course should contribute additional profits," the chairman says.

Toy retailing achieved a satisfactory increase in sales and profits.

Advance forecast by Bakers

CONFIDENT THAT first half re*sults would show a reasonable* increase, despite the first few weeks of the second quarter being somewhat flat, the chairman of **Bakers Household Stores (Leeds)** told the annual meeting that the Board hoped to at least *maintain dividend payments on* increased capital.

The company's cash deposits had grown to around the £1m mark. The Board was fully aware of the requirement to invest such monies, to ensure future growth and was continually investigating suitable opportunities to increase the number of stores.

It was also considering, very closely, possible acquisitions.

ASSOCIATE DEAL

Hill Samuel Investment Management, as associates of **Racal Electronics**, has on behalf of discretionary investment clients bought 21,750 Racal at 210p.

Lambert Howarth well ahead

RECORD RESULTS for *1979* are reported by **Lambert Howarth Group**, a substanial supplier of footwear to Marks and Spencer. Pre-tax profits for the year were up from £644,982 *to £724,479 on increased turnover* of £15.02m against £14.11m.

First-half profits had risen from £141,249 to £196,145 and the directors said then that the order book for the rest of the year *showed* an improvement over 1978—however, there was increasing competition from imported footwear and increasing production costs.

Tax charge at the year end is £346,440 (£326,501) giving earnings per share of 12.6p against 10.6p. The final dividend is 2.91p raising the total from 3.5p to 4.06p.

Thomas Robinson recovers

DESPITE A fall from £391,000 to £176,000 at halfway, **Thomas Robinson and Son**, engineer and machine maker, finished 1979 with taxable profits just ahead at £1.2m, against £1.1m.

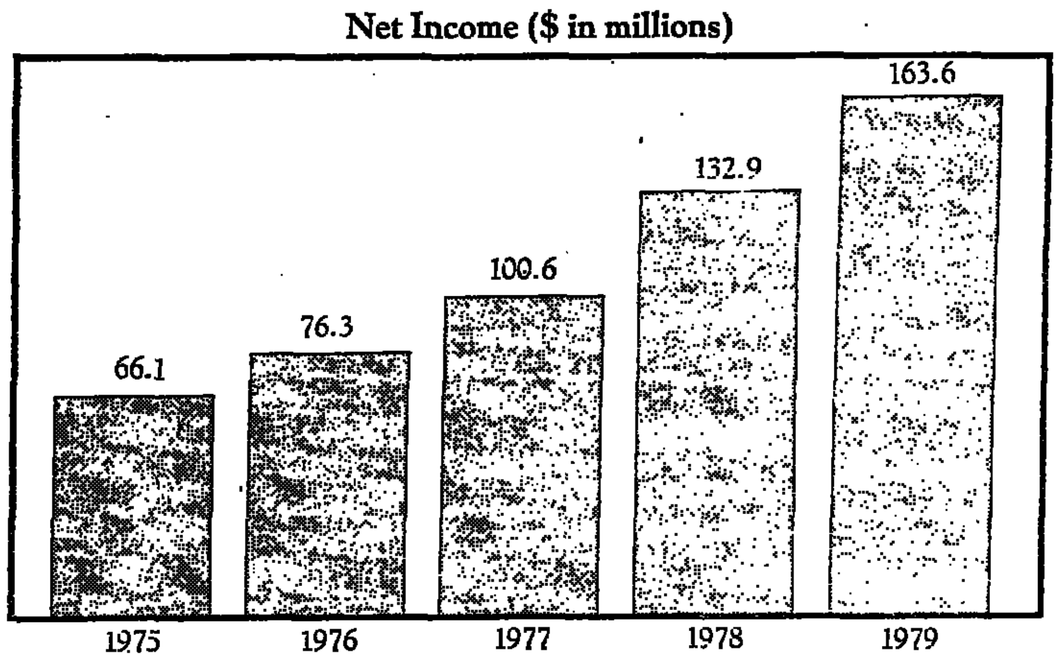
Turnover for the year rose by £2m to £9.75m and profits were struck after interest of £225,000, compared with £187,000, and included associates' of *£120,000* (£105,000).

Tax took £634,000 (£471,000) after which earnings are shown as 14.2p (15.7p) per 25p share.

The dividend total is lifted to 4.8232p (3.77637p) net with a final payment of 4p.

Security Pacific keeps on growing.

Net Income ($ in millions)



Security Pacific Corporation Financial Highlights

AS OF DECEMBER 31, 1979

	1978	1979	Increase
Assets	$21,633,000,000	$24,900,000,000	15%
Deposits	$16,968,000,000	$18,500,000,000	9%
Loans	$14,208,000,000	$16,300,000,000	15%

Security Pacific Corporation is the holding company for Security Pacific National Bank, tenth largest in the U.S. We are headquartered in Los Angeles, the most dynamic market in the United States and a principal Pacific Rim trading center.

Our international banking group serves over 75 countries through 35 branches and offices in Europe, the Middle East, the Far East, Australia and Latin America.

We also operate separate subsidiaries that provide equipment leasing, mortgage banking, consumer and commercial finance, venture capital, pension fund management and a broad range of financial services.

We invite you to write for:

- 1979 Annual Report and 1980 Quarterly Reports
- Current quarterly Economic Report
- California International Trade Report
- Information about Security Pacific commercial banking services

Write to: General Manager, Security Pacific National Bank, at any of these addresses:
2 Arundel Street, London WC2R 3DF
Ulmenstrasse 30, 6000 Frankfurt 17
10 Rue de la Paix, Paris 2

Security Pacific Corporation common stock is listed on the New York Stock Exchange, Pacific Coast Stock Exchange, and The Stock Exchange in London.

SECURITY PACIFIC® CORPORATION
®SERVICE MARK OWNED BY SECURITY PACIFIC CORPORATION

TIGER OATS AND NATIONAL MILLING COMPANY, LIMITED

(Incorporated in the Republic of South Africa)

STATEMENT OF RESULTS AND DIVIDEND ANNOUNCEMENT

The unaudited results of the Group for the year ended 31st December, 1979, are as follows:

	1979 Unaudited R000s	1978 Audited R000s
GROUP TURNOVER	913 000	777 000
Group Trading Profit, before taxation	60 884	55 779
Taxation	20 974	19 739
	39 910	36 040
Outside Shareholders' Interests in Trading Profits of Subsidiaries	7 315	7 357
	32 595	28 683
Preference Dividends	3 344	3 271
TOTAL GROUP EARNINGS ATTRIBUTABLE TO ORDINARY SHAREHOLDERS	29 251	25 412
Number of Ordinary shares in issue:	11 170 232	11 159 133
Earnings—cents per share	262	228

The above figures do not embrace the operations of associated companies except to the extent of dividends received during the year ended 31st December, 1979, and which are included in group earnings. If the undistributed profits in respect of the financial years of these associated companies in which at least 30% of the equity share capital is held, are taken into account, the above group earnings in respect of the year under review would amount to 321 cents per ordinary share (1978—269 cents).

NOTES:

1. The group turnover of 913 000 000 for the year under review represents an increase of 17.5 per cent over the figure of R777 000 000 for 1978, stated above, and excludes turnover of associated companies amounting to approximately 998 000 000.
2. Commitments for capital expenditure at 31st December, 1979, amounted to approximately 6 000 000 which will be financed from the group's resources.
3. The above results include, for the first time, the consolidated profits of Sea Products (S.W.A.) Limited, as a result of a subsidiary having increased its holding in the equity of that company to slightly in excess of 50%. The 1978 comparative figures have been re-stated accordingly.
4. During the year under review the company acquired:
   (i) The entire issued share capitals of:
   (a) Bremer Mills (Pty) Limited, a group operating wheat and maize mills in Hennenman, in the Orange Free State, and numerous bakeries throughout the Republic:
   (b) Bakoven (P.E.) (Pty) Limited.
   (ii) The remaining 25% and 50% of the issued share capitals of Shillings Minerals (Pty) Limited and Cradock Bakery (Pty) Limited, respectively, which together with the existing shareholdings, makes those companies wholly-owned subsidiaries.
   (iii) 50% of the issued share capital of Lesotho Milling Company (Pty) Limited. At the same time the said company acquired the entire issued share capital of Maseru Roller Mills (Pty) Limited—formerly a subsidiary in the Tiger Oats Group.
5. Trading conditions remain satisfactory and, in the absence of unforeseen circumstances, it is anticipated that this state of affairs will be maintained during the six months ending 30th June, 1980.

On behalf of the Board,
R. L. Frankel, D. O. Beckingham — Directors

DECLARATION OF FINAL ORDINARY DIVIDEND NO. 70

Notice is hereby given that a final dividend, No. 70, of 38 (thirty-eight) cents per share, in respect of the year ended 31st December, 1979, has been declared payable to shareholders registered in the books of the company at the close of business on the 3rd day of April, 1980.

This dividend, together with the interim dividend of 28 (twenty-eight) cents per share, declared on the 21st August, 1979, makes a total distribution for the year of 66 (sixty-six) cents per share (1978: 58 cents).

The dividend is declared in the currency of the Republic of South Africa and warrants in payment thereof will be posted to shareholders, by the company's transfer secretaries in South Africa and in the United Kingdom, on or about the 8th May, 1980.

The transfer books and registers of members will be closed from the 4th April to the 18th April, 1980, both days inclusive.

The effective rate of non-resident shareholders' tax is 15%.

By order of the Board,
H. Yudelowitz,
Secretary.

Registered Office:
15th Floor,
Wesbank House,
222 Smit Street,
Johannesburg 2001.
London Office:
40, Holborn Viaduct,
EC1P 1AJ.

Transfer Secretaries:
Consolidated Share Registrars Limited,
"Libertas," 62 Marshall Street,
Johannesburg 2001.
(P.O. Box 61051), Marshalltown,
2107, Tvl.)
and
Charter Consolidated Limited,
P.O. Box 102, Charter House,
Park Street, Ashford,
Kent TN24 8EQ.

12th March, 1980.

WOOLWORTH

Annual Results

Year ended 31 January 1980

	Year Ended 31 January 1980 £000s	1979 £000s
TURNOVER (including value added tax)	977,995	875,185
Deduct: Value added tax	(89,847)	(51,793)
TURNOVER (excluding value added tax)	888,148	823,392
TRADING PROFIT	74,244	64,474
Deduct: Depreciation	(10,295)	(8,475)
Interest paid less received	(9,208)	(4,834)
Add: Rent income	1,693	1,442
Surplus on property disposals, excluding sale and leasebacks	819	497
PROFIT BEFORE TAXATION	57,253	53,104
Taxation	(15,708)	(12,584)
PROFIT AFTER TAXATION	41,545	40,520
Deduct: Foreign currency differences	(754)	(357)
Add: Extraordinary items	—	(781)
PROFIT FOR YEAR	40,791	39,382
EARNINGS per Ordinary Stock Unit of 25p	10.99p	10.72p

- Due to the considerable rise in the standard rate of Value Added Tax with effect from 23 June 1979, any comparison of turnover is best made on an ex-VAT basis. Turnover at £888 million for the year is a rise of 7.9%; in the important fourth quarter, it amounted to £288 million which is an increase of 8.7% over last year.
- Trading profit at £74.2 million was 15.2% higher than the previous year and this improvement was due mainly to changes in merchandise mix coupled with good control of expenses.
- The higher charge for depreciation includes property depreciation of £4.4 million (1979 £2.7 million). Interest costs are £4.4 million greater than last year due more to rises in U.K. interest rates than to increases in average borrowings.
- Given the economic uncertainties and inflationary pressures likely to obtain during 1980, it is difficult to predict the rate of activity for the retailing trade. In the current financial year therefore, the Company's results for the first six months are unlikely to show an improvement over those of the corresponding period in the last year; any gains will probably occur in the second half of the year.
- The Directors are proposing a final dividend for the year of 3.5695p (1979 3.245p) per stock unit.

F. W. WOOLWORTH AND CO., LIMITED
Woolworth House, 242/246, Marylebone Road, London NW1 6JL

BOARD MEETINGS

The following companies have notified dates of Board meetings to the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available as to whether dividends are interims or finals and the sub-divisions shown below are based mainly on last year's timetable.

TODAY

Interims—Coronation Syndicate, Falcon Mines, H.T.V., Harmony Gold Mining.

Finals—Anglo American Industrial Corporation, Anglo-American Investment Trust, British Petroleum, Cadbury Schweppes, T. Clarke, East Lancashire Paper, Harris and Sheldon, Nu-Swift Industries, Refuge Assurance, Sale Tilney, Schroders, Transport Development, Ultramar.

FUTURE DATES

Interims—	
Caskel (S.)	April 17
London Scottish Finance	Mar. 18
Paterson Zochonis	Mar. 24
Walker (James) Goldsmith and Silversmith	†Mar. 19
Wolseley-Hughes	Mar. 20
Finals—	
Carlton Industries	Mar. 21
Edinburgh Investment Trust	April 14
Higgs and Hill	April 17
Lex Service	Mar. 20
Lilley (F. J. C.)	April 2
Liverpool Daily Post and Echo	Mar. 20
North British Canadian Invest.	Mar. 28
Philips' Lamp	Mar. 20
Rotorr	Mar. 26
Spirax-Sarco	Mar. 25
Tricentrol	Mar. 20

† Amended.

BSR profits slump by over £11m to £3.9m

FOLLOWING the midway slump from £10.15m to £2.55m and an expectation of substantially lower profits for 1979-80, BSR, the sound reproduction and consumer products group reports pre-tax profits of £3.88m in the year ended January 5, 1980 against £15.17m in the previous year.

Although helped by a much lower tax charge of £581,000 against £6.22m, the group incurred exchange losses of £4.23m (£2.88m) and £1.43m (£158,000) closure costs producing a net loss of £2.36m compared with a £5.91m profit in 1978-79.

Stated earnings per share before extraordinary items are 3.7p against 10.04p, and in view of the results the directors are recommending a final dividend of 1.4129p cutting the year's total from 5.329p to 2.8258p.

Group turnover amounted to £156.21m against £159.76m of which the sound reproduction division contributed £101.22m (£108.47m) with the balance of £54.99m (£51.29m) from consumer products. The share of trading profits—£7.82m (£15.42m)—from sound reproduction was £5.93m (£12.3m) with consumer products contributing £1.89m (£3.12m).

Sound reproduction sales in unit volume were much lower than in the previous year with a marked shortfall in North America, but all other major markets were ahead, the directors say.

Although consumer products turnover shows an increase over the previous year, sales were adversely affected by the engineering dispute. The Bulpitt and Goblin groups improved their sales but the downward trend in Judge International sales in recent years continued in 1979.

The directors blame the profit shortfall on reduced working weeks in the sound reproduction factories, increasing competition from Japanese manufacturers, rising costs and loss of production through industrial action.

A revaluation of land and buildings showed an increase of £5.81m over book value and has been included in capital reserve at the year-end. However, goodwill of £2.84m arising from the purchase of DBX Inc. has been written off against capital reserves.

	Year 1979-80 £000	1978-79 £000
External sales	156,211	159,763
Trading profit	7,821	15,424
Interest paid	3,906	218
Loan interest	32	35
Profit before tax	3,883	15,177
Tax	*581	6,218
Net profit	3,302	8,953
Exchange losses	4,232	2,884
Closure costs	1,429	158
Loss	2,359	†5,911
Minorities	22	6
Dividends	2,520	4,749
Retained earnings	53,966	58,102

* £1.18m charge less £595,000 release of deferred tax for permanent stock relief. † Profit.

As regards the current trading position, until sales of the sound reproduction division are slightly lower than those for the comparable period in 1979; however sales of record changers in the U.S. are running ahead of last year while the demand for *DBX* and *X-10* products is encouraging.

Sales for the first two months for consumer products show an improvement over last year but, should the forecasted slowdown in the UK economy actually happen, it is doubtful if this trend will continue for the remainder of the year.

Over the past months action has been taken to reduce costs both direct and indirect and this will be a continuing programme throughout the group as will be the development of new products to maintain market position, the directors state.

See Lex

Woodward slips to £431,000

The decline seen at H. Woodward and Son in the first six months continued in the second half of the year to the end of September 1979, with a fall in pre-tax profit from £340,265 to £246,505.

This left the vehicle distribution and body building and civil engineering group showing a fall from £555,928 to £430,849. Turnover was ahead from £10.01m to £11.28m.

Midyear, when profit slipped to £184,344 (£215,663) the company said that margins had been depleted by severe competition in the commercial vehicle market and the rise in overheads.

After tax of £160,915 (£81,419) stated earnings per 12½p share for the year dipped 8.45p to 11.15p. A net final dividend of 1.7p takes the total to 2.2p (2.07p).

Profit included a surplus on sale of fixed assets of £27,698 (£9,006) and a contribution from a subsidiary down from £42,487 to £17,623.

Figures have to be restated to account for the adoption of accounting standard No. 12 on property depreciation.

Rank looks for steady progress

MR. HARRY SMITH, chairman of the Rank Organisation, told the annual meeting yesterday that he was confident the group would perform well in the current year in the light of the prevailing conditions. However, he warned that the group's ability to achieve forecast profits must depend on economic trends experienced.

Once conditions became more normal, particularly regarding inflation and interest, the company was well prepared to achieve a rapid improvement in both group profits and the return on investments. Nevertheless, he foresaw a steadily rising trend in profitability over the next four years.

The chairman reported that in Australia, Rank Industries was now trading profitably and the management of that company was confident of meeting the budgeted profit for the year.

Referring to the steel strike Mr. Smith said that the group did not use much steel and its factories had been operating without any serious disruption.

Revenue up at City & Commercial

Net revenue of City and Commercial Investment Trust improved from £479,722 to £596,225 in the year ended January 31, 1980 and directors are lifting the total dividend from 2.03p to 2.523p with a 1.276p final.

The years revenue is after all charges and tax of £297,820 (£265,520). Net asset value per capital stock amounted to 220½p (213½p).

G. Armitage pick up in second half

SECOND-HALF profits of George Armitage and Sons showed some recovery after the 29 per cent fall midway, and the 1979 year finished with the pre-tax surplus 16 per cent lower at £1.27m, against £1.52m.

Turnover of the unquoted brick manufacturer increased by 4 per cent to £6.12m.

Mr. Geoffrey Armitage, chairman, says increased competition following the long winter, reduced profit margins and lower stock profits were the reasons for the decline.

Trading prospects for 1980 are bleak, he adds. The construction industry has forecast a 5 per cent downturn, and there is the posibility of brick sales falling by at least 7 per cent.

However, he believes the group has the ability to maintain profits at the enhanced levels of the last two years.

Earnings per share are up from 42.64p to 56.94p. The net total dividend is held at 7.5p, as forecast, with a final of 5p.

Additional liquid funds, together with higher interest rates, pushed up interest to £137,785 (£24,138).

Cash resources at the year-end amounted to £1.66m (£1.37m) but, the chairman says, the company has since had to meet a substantial corporation tax liability of £874,249 relating to 1978 profits.

On a CCA basis, pre-tax profits of the group, which has "close" status, were reduced to £875,000 (£1.21m).

Leyland Motor increases 61% in Australia

Leyland Motor Corpn. of Australia, wholly-owned by BL boosted its profits by 61 per cent from A$2.9m to A$4.6m in 1979 despite a 4.2 per cent dip in sales to A$173m.

Mr. Ron Hancock, the managing director, says the result was a tribute to Leyland's efficiency, due largely to restructuring undertaken in 1974 and completed last year, and the company's product range.

He says the company has achieved a profit increase in the face of a very sluggish motor vehicle market. Leyland's performance revealed a growth pattern which compared favourably with the recent experience of other motor manufacturers.

Earlier this week Chrysler Australia revealed a A$33m turnround, to profits of A$12.3m, and declared its first dividend since starting Australian operations in 1951.

Leyland's profit represents 11.4 per cent on net assets employed. Total revenue has been severely restricted by initial delays in launching the new Jaguar-Daimler range.

Shipments to Australia from the UK were suspended for nine months pending the commissioning of a new paint plant at Castle Bromwich.

For the second successive year every division recorded a profit. With much-improved industrial relations in the parent company, continuity of supply was not the problem it was in the past.

Fertleman receivers

MR. GUY PARSONS and Mr. William Ratford, partners in chartered accountants Peat, Marwick, Mitchell and Co., London, have been appointed joint receivers of B. Fertleman and Sons, and its subsidiaries.

The receivers say they are continuing the group's furniture manufacturing business while they undertake an urgent review of its viability.

Mr. John Ridings and Mr. Tony Richmond of Peat, Marwick, Mitchell have been appointed joint receivers and managers of textile manufacturer James Watkinson and Sons.

They say the company will continue to trade while its future viability is assessed.

IN BRIEF

IDC GROUP (industrial, commercial buildings)—Results for October 31, 1979, year reported January 30, in full preliminary statement with prospects. Net current assets £2.15m (£2.65m). Total assets £9.5m (£8.34m). Chairman's emoluments £35,124 (£22,304). Meeting Stratford-upon-Avon, April 3, 11.30 am.

LONDON AND LOMOND INVESTMENT TRUST—Results for 1979 reported February 27. Investments £22.95m (£22.79m), including market value of UK listed £16.63m (£15.57m). Net current liabilities £39,708 (£28,472). Meeting, 2, St. Mary Axe, EC, April 1, noon.

Texas Commerce Bancshares, Inc.

PARENT COMPANY OF

TEXAS COMMERCE BANK

HOUSTON, TEXAS

Incorporated with Limited Liability in the U.S.A.

Texas Commerce Bank

Consolidated Statement at 31st December, 1979

ASSETS

Cash and Due from Banks		$1,073,061,000
Time Deposits with Banks		781,407,000
Funds Sold		481,045,000
Investment Securities		1,442,438,000
Loans	$4,940,337,000	
Less: Allowance for possible loan losses	51,440,000	4,888,897,000
Banking Premises and Equipment		133,771,000
Other Assets		458,881,000
Total Assets		$9,259,500,000

LIABILITIES AND STOCKHOLDER'S EQUITY

Demand Deposits	$2,965,247,000
Time Deposits	3,211,957,000
Foreign Branch Deposits	1,049,122,000
Total Deposits	$7,226,326,000
Funds Purchased	816,091,000
Other Liabilities	671,810,000
8⅞% Debentures due 1985	50,000,000
Total Liabilities	$8,764,227,000

STOCKHOLDER'S EQUITY

Preferred Stock	$600,000
Common Stock	56,055,000
Class B Stock	1,797,000
Surplus	142,418,000
Retained Earnings	294,403,000
Total Stockholder's Equity	$495,273,000
Total Liabilities and Stockholder's Equity	$9,259,500,000

NET INCOME FOR 1979 WAS $82,380,000, AN INCREASE OF 28% OVER 1978.

Board of Directors

HERBERT ALLEN, *Director & Consultant,* Cameron Iron Works, Inc.
GARNER ANTHONY, *Chairman,* Cox Enterprises, Inc.
J. RUDNEY ATALLA, *Director, Vice Presidente,* Usina Central do Parana, S.A.
JAMES A. BAKER, III, *Partner,* Andrews, Kurth, Campbell & Jones
THOMAS D. BARROW, *Chairman,* Kennecott Copper Corporation
DONALD L. BENTSEN, *President,* Tide Products, Inc.
JACK S. BLANTON, *President,* Scurlock Oil Company
HOWARD BOYD, *Partner,* Liddell, Sapp, Zivley & Brown
CHARLES C. BUTT, *President,* H. E. Butt Grocery Company
THOMAS L. CARTER, Investments
C.W. (Tex) COOK, *Chairman, Executive Committee,* General Foods Corporation
J. H. CREEKMORE, *President,* Houston Endowment Inc.
JOHN H. DUNCAN, *Chairman,* Gulf Consolidated Services, Inc.
G. E. ENGLEMAN, *Chairman,* Texas Commerce Bank—Fort Worth, Texas Commerce Bank—Hurst
HERBERT E. FISHER, *Chairman,* Kaneb Services, Inc. Pipe Line Technologists, Inc.
J. ROBERT FLUOR, *Chairman,* Fluor Corporation
EUGENIO GARZA LAGUERA, *President,* Valores Industriales
WILLIAM C. HARVIN, *Managing Partner,* Baker & Botts
L. WILLIAM HEILIGBRODT, *Chairman,* Texas Commerce Bank—Houston
ROBERT R. HERRING, *Chairman,* Houston Natural Gas Corporation
ROBERT E. HIBBERT, Oil & Gas Producer
RAYMOND M. HOLLIDAY, *Chairman,* Hughes Tool Company
E. C. JAPHET, Investments
MRS. LYNDON B. JOHNSON, Investments
BARBARA JORDAN, *Professor,* The LBJ School of Public Affairs, The University of Texas
WILLIAM H. LANE, *President,* Riviana Foods, Inc.
HENRY F. LeMIEUX, *Chairman,* Raymond International, Inc.
BEN F. LOVE, *Chairman and CEO,* Texas Commerce Bancshares, Inc.
JOHN P. McCABE, *Group Vice President, Natural Resources,* Getty Oil Company
THOMAS B. McDADE, *Vice Chairman,* Texas Commerce Bancshares, Inc.
W. A. MONCRIEF, Jr., Oil & Gas Producer
ROBERT MOSBACHER, Oil & Gas Producer
W. D. NOEL, *President,* El Paso Products Company
WILLIAM W. PHILLIPS, Jr., *Chairman,* American National Bank of Beaumont
T. BOONE PICKENS, Jr., *President and Chairman,* Mesa Petroleum Company
LAWRENCE G. RAWL, *Executive Vice President,* Esso Europe, Inc.
KENNETH W. REESE, *Executive Vice President,* Tenneco, Inc.
CHARLES SAPP, *Partner,* Liddell, Sapp, Zivley & Brown
ROBERT R. SHELTON, Petroleum and Ranching
HARRY K. SMITH, *Chairman,* Big Three Industries, Inc
EDWARD B. WALKER, III, *Executive Vice President,* Gulf Oil Corporation
JOHN E. WHITMORE, *Senior Chairman,* Texas Commerce Bancshares, Inc
C. HOWARD WILEMON, Jr., *President,* Arlington Bank & Trust

London Branch, 44 Moorgate EC2R 6AY.
Tel: 01-638 8021. Telex 884851.
KEITH D. OLDFIELD
Vice President and General Manager.
Offices: Houston, London, Nassau, New York, Mexico City, Tokyo, Denver, Sao Paulo, Bahrain, Caracas, and Hong Kong.

THE KYOWA BANK LIMITED

London Branch

US $15,000,000

NEGOTIABLE FLOATING RATE CERTIFICATES OF DEPOSIT DUE SEPTEMBER 17, 1984

In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the six month Interest Period from March 13, 1980 to September 15, 1980 the Certificates will carry an Interest Rate of 18[illegible]% per annum.

Agent
FIRST CHICAGO LIMITED

Bakers

HOUSEHOLD STORES (LEEDS) LTD

Five years of continued growth

PRE-TAX YEARLY PROFIT RECORD				
1975	1976	1977	1978	1979
£	£	£	£	£
155,915	204,625	225,101	424,225	620,997

BAKER HOUSE · 9 NEW YORK ROAD · LEEDS LS2 7PF

MINING NEWS

North American groups hasten expansion

BY PAUL CHEESERIGHT

NORTH AMERICAN mining groups have moved into a strongly expansionist phase following the sharp improvement in profits last year and in the face of generally strong demand for their products. This movement has been emphasised by a string of company announcements reflecting a resurgence of confidence through the industry.

Noranda Mines of Canada, Freeport Minerals and Phelps Dodge of the U.S. are all working towards a further growth of their base metals capacity.

Noranda now expects to have the Goldstream Valley copper-zinc mine, its fifth in British Columbia in production during 1982 after a capital investment of C$62m (£23.9m). Annual production over a mine life of eight years will be 75,000 tons of copper concentrates and 11,600 tons of zinc concentrates.

Phelps Dodge, the second largest U.S. copper producer, is to spend $19.5m (£8.75m) on a new continuous cast copper rod mill at its facility in El Paso, Texas. This expansion follows an announcement in January of another new rod mill at Norwich, Connecticut. The El Paso mill will come on stream late next year.

In Indonesia, Freeport Minerals expects to bring its $101.5m (£45.5m) Ertsberg East copper and precious metals mine into production early next year. This will raise the group's Indonesian output by 40 per cent.

More generally, Freeport describes the current outlook as favourable. "Sales are at peak capacity levels in all of our current activities, operational performance has been excellent and forward demand for our products has remained strong to date," said Mr. Benno Schmidt, the chairman, in the annual report.

Freeport is expanding its uranium production facilities as part of a broad drive into energy minerals. St. Joe Minerals is also broadening its range of energy interests. A. T. Massey Coal, a subsidiary, is paying Allied Chemical $22.5m (£10.1m) for coal properties in Virginia.

The properties comprise the Shannon Branch mine and its plant in McDowell County. Allied Chemical's sale is part of a plan to divest itself of coal and coke operations.

The acquisition of Shannon Branch will bring to 19 the number of coal mining complexes owned by A. T. Massey Coal in Virginia, Kentucky, Tennessee and Colorado.

INCO TO ACT ON AIR POLLUTION

New plant to be built in the next two years by Inco Metals at Sudbury, Ontario, should reduce sulphur dioxide emissions —acid rain—by 25 per cent, writes Victor Mackie from Ottawa.

The nickel group has been under heavy pressure to reduce its sulphur emissions and last November the Ontario Legislature ordered a cut in emissions to 1,500 tonnes a day from 3,600 tonnes.

Inco recently noted that it had spent six years on seeking a method to reduce emissions by physically separating sulphur-bearing waste material from nickel concentrates prior to smelting and that preliminary results are encouraging.

Japanese drop Brazil chrome interest

Brazilian Development, a Japanese consortium, has sold its Serjana chrome mine to Ferro-Ligas da Bahia (Ferbasa), a local company, for $1.9m (£853,165). A further $7.3m advanced to the mine from Japan will not have to be repaid, reports Rik Turner from Sao Paulo.

The increased costs of shipping chromite to Japan for processing and Japan's reported intention to reduce ferro-chrome production capacity were among the reasons cited by Sr. Jose Carvalho, the Ferbasa president, for the Japanese withdrawal from Serjana.

Ferbasa already produces 230 tonnes a day of high carbon ferro-chrome, using chromite from other mines in Bahia. With additional chromite now available from Serjana, Ferbasa is to expand its production facilities, with the new capacity coming on stream next year.

There will be an appreciable benefit to Brazilian export earnings from such increased production of ferro-chrome alloys. Chromite was being exported from Serjana at $68 a tonne, but the alloy will go to the U.S., Germany and Canada at $500 a tonne.

As the ore-alloy production ratio is 2.5-3.0 tonnes of ore for every tonne of alloy, the Serjana deal could mean a tripling of earnings.

PROFITS CLIMB AT BINDURA

Bindura Nickel, the Rhodesian producer in the Anglo American Corporation group, handsomely increased earnings in 1979, reports Tony Hawkins from Salisbury.

Operating profits were Rh$10.1m (£6.95m) compared with Rh$4.6m in nine months of 1978, a shorter period because of a change in the financial year-end.

A final dividend of 11 cents has been declared, making 14 cents for the whole year, compared with three cents in the nine months period of 1978.

The speed of Bindura's financial improvement quickened in the second half of 1979, and this year the company hopes for substantially better results again. If this is the case then Bindura will start paying tax. In 1979 tax payments were just Rh$3000.

But the company's hopes of doubling earnings this year depend to some extent on the ability to retain skilled personnel. Should there be an exodus of white personnel, then the performance is likely to deteriorate.

International round-up

The provisional agreement for the development of the Ok Tedi copper-gold deposit in Papua, New Guinea, has been signed by the Government and the international consortium seeking to exploit the deposit. Sir Julius Chan, the new Prime Minister, said he was happy with the previous Government's negotiations on Ok Tedi but he reserved the right to look at the negotiations "in a different way."

* * *

Significant intersections of tin mineralisation have been obtained at the Mount Bischoff prospect in Tasmania, Metals Exploration, one of the joint venturers, stated. In four diamond drill holes tin grades of between 0.16 and 2.37 per cent were found. Drilling is continuing.

* * *

BMI Mining of Sydney, a subsidiary of BMI, the construction materials group, announced a doubling of coal reserves to 20m tonnes at properties in the Gloucester-Stroud area of New South Wales.

* * *

Sunshine Mining is to issue shareholders with five shares for every two they hold. This follows a special meeting at which was agreed to reincorporate the company, a major U.S. silver producer, in the state of Delaware. Sunshine said it was maintaining its current quarterly dividend policy of 10 cents (4.5p) a share after the stock split.

* * *

Sabina Industries, the Canadian exploration company, is to concentrate its exploration effort this year on a gold and silver property in Ontario, Mr. Bill Cummins, the president, said. Its search for uranium in Ireland has met with little success so far.

* * *

Potash Corporation of Saskatchewan, owned by the provincial Government, proposes to increase the capacity of its Lanigan potash mine and plant to 3.6m tons of potassium chloride from 1.3m tons.

* * *

Following the trend first established in South Africa, Lake Shore Mines and Wright Hargreaves Mines, former gold producers at Kirkland Lake in Ontario, have started detailed feasibility studies of tailing dumps near this old gold mining town. The companies are members of the Little Long Lac group.

* * *

Advocate Mines, the Newfoundland asbestos producer, had losses of C$9m (£3.47m) last year compared with losses of C$3.4m in 1978. Heavier losses were caused by low ore grades and excessive waste-to-ore ratio.

BRASCAN PLANS A MERGER

Western Mines of Vancouver may acquire Brascan Resources of Calgary in a share deal. Discussions between the two companies are being held, reports John Soganich from Toronto.

A merger would represent a further re-arrangement of the mining interests held by Brascan Ltd., which is controlled by the Bronfman brothers. Brascan Ltd. owns 99 per cent of Brascan Resources and 51 per cent of Western Mines.

A combination would create a major Canadian resources company with the financial capability to undertake major new investments, the companies stated.

Brascan Resources has coal, oil and gas interests in western Canada and the U.S. Western Mines has base metals mines in British Colombia and includes among its other interests uranium properties in Saskatchewan and the Northwest Territories.

EUROPEAN OPTIONS EXCHANGE

Series	April Vol.	April Last	July Vol.	July Last	Oct. Vol.	Oct. Last	Stock
ABN C F.280	—	—	5	4.50	—	—	F.272.50
AKZ C F.22.50	15	2.50	—	—	5	3.40	F.24.10
AKZ C F.25	105	0.70	30	1.40	60	1.60	"
AKZ C F.27.50	124	0.30	22	0.60	83	0.90	"
AKZ C F.30	95	0.10	—	—	—	—	"
HEI C F.60	—	—	—	—	10	6	F.62.50
HEI C F.65	—	—	—	—	26	3.90	"
HEI C F.70	5	0.70	—	—	—	—	"
HEI C F.75	5	0.30	—	—	—	—	"
HEI P F.60	—	—	10	2.50	—	—	"
HO C F.20	—	—	—	—	2	2.50	F.19.50
HO C F.22.50	—	—	—	—	3	1.30	"
HO C F.25	—	—	—	—	2	1	"
IBM C $65	10	1⅛	4	4⅛	—	—	$62
KLM C F.60	—	—	1	10	—	—	F.67.50
KLM C F.70	—	—	1	5	—	—	"
KLM C F.80	4	0.30	10	1.70	10	2.90	"
KLM C F.90	60	0.10	2	0.60	—	—	"
KLM P F.60	45	1	10	2.80	—	—	"
KLM P F.70	8	4.90	10	6.50	—	—	"
KLM P F.80	10	12.60	—	—	—	—	"
NN C F.110	2	1.80	—	—	2	4.90	F.107
NN C F.115	—	—	125	2	—	—	"
NN P F110	—	—	—	—	1	5.70	"
PET C Fr.6000	16	50	—	—	2	250	Fr.5390
PET C Fr.6500	10	8	—	—	1	150	"
PHI C F.17.50	66	1	1	1.40	1	2.10	F.18
PHI C F.20	50	0.20	189	0.50	—	—	"
PHI C F.22.50	132	0.10	—	—	—	—	"
PHI P F.17.50	16	0.50	—	—	10	0.80	"
PHI P F.20	4	2	40	2.30	20	2.30	"
PHI P F.22.50	15	4.50	—	—	—	—	"
RD C F.140	—	—	10	24.50	—	—	F.162.50
RD C F.145	1	18	—	—	—	—	"
RD C F.150	39	13.50	—	—	—	—	"
RD C F.160	191	6.90	93	9.20	11	11.70	"
RD C F.170	231	2.80	121	4.90	11	7.10	"
RD P F.145	7	0.30	—	—	—	—	"
RD P F.150	25	0.90	—	—	—	—	"
RD P F.160	135	4.10	4	9	—	—	"
RD P F.170	12	10.50	95	15.40	—	—	"
UNI C F.110	33	2.50	3	5.50	1	6.80	F.107.80
UNI C F.115	67	0.90	—	—	2	4.50	"
UNI C F.120	—	—	7	1.50	1	2.70	"
UNI C F.130	33	0.10	—	—	—	—	"
UNI P F.110	—	—	1	6.60	—	—	"
XON C $60	—	—	1	6	—	—	$61¼
	May		Aug.		Nov.		
BAS C DM.140	4	7.60	—	—	—	—	DM143.50
BAS C DM.150	—	—	2	6.20	—	—	"
MMW C DM.160	—	—	15	7.30	—	—	$267⅛
OXY C $30	5	2	—	—	—	—	"
SIE C DM.280	5	2.70	5	9.60	—	—	DM284.50
SIE C DM.290	—	—	—	—	5	11.30	"
SLB C $110	—	—	5	15	—	—	$107
SLB C $120	5	3½	—	—	—	—	"
VEB C DM.160	—	—	5	6	4	10	DM154.70
VEB C DM.170	—	—	5	3.30	—	—	"
VW C DM.180	3	7.40	—	—	2	11.50	DM181
VW C DM.190	12	2.50	—	—	3	6.70	"

TOTAL VOLUME IN CONTRACTS 2793

C=Call P=Put

Final quarter growth gives Woolworth £57m

A SHARP rise in interest costs partly offset a 15.2 per cent advance in trading surplus for F. W. Woolworth and Co. in 1979. At the pre-tax level profit increased 7.8 per cent from £53.1m to £57.25m with nearly all the growth coming from the final quarter's improvement of £4.01m to £34.08m.

Sales in the last three months were up 8.7 per cent to £288m taking the year's total to £888m (£823m) excluding VAT. The improvement in trading profit from £64.47m to £74.24m was due mainly to changes in merchandise mix coupled with good control of expenses, the company says.

Because of the economic uncertainties and inflationary pressures likely in 1980, it is difficult to predict the rate of activity for the retailing trade, the directors point out. They, therefore, expect a static first six months: "Any gains will probably occur in the second half."

A tax charge of £15.71m (£12.58m) left the stated earnings per 25p share for the year little changed at 10.99p (10.72p). A net final dividend of 3.5696p lifts the total to 4.917p (4.47p).

The jump in net interest costs from £4.83m to £9.21m was more related to higher UK interest rates than an increase in average borrowings. Depreciation of £10.3m (£8.48m) included property depreciation of £4.4m (£2.7m).

Available profit emerged at £40.79m (£39.38m) after deductions for foreign currency differences of £754,000 (£357,000) and an extraordinary debit last time of £781,000.

The retained balance was marginally lower at £22.2m (£22.48m).

See Lex

Britannic Assurance higher

HIGHER PROFITS from both its long-term business and from the general branch are reported for 1979 by the Britannic Assurance Company. The transfer to the profit and loss account from long-term business rises by over one-quarter from £1.81m to £2.31m, while the general branch recorded a profit of £213,000 against only £3,000 in 1978.

Further details of last year's business will be given in the report and accounts expected early next month.

A final dividend of 7.35p per 5p ordinary stock unit is declared bringing the total for the year to 11.9p, which assuming a tax credit at 30 per cent, is equivalent to 17p compared with 14.7721p in the previous year.

The company has also made substantial increases on its bonus rate. On ordinary branch with-profit life policies, the reversionary bonus rate is lifted by 30p to £4.80 per cent of the sum assured. On with-profit deferred annuities a similar increase is made to the bonus rate bringing it to £5.50 per cent of the basic annuity.

In addition, the company is declaring a special reversionary bonus of £1 per cent of attaching bonuses, both for life and for deferred annuity contracts. It would appear that the company experienced a surge in its profits last year coming from its investments in high yielding gilts and from the substantial increases in equity dividend.

Part of that surplus went to increase the reversionary bonus, the rest being paid out as a special bonus. The company does not guarantee to make this bonus an annual declaration.

The company is also making improvements to its terminal bonus scale, paid on death or maturity claims, especially for the longer duration contracts. The scale, based on a notional premium, now ranges from 20 per cent to 130 per cent, compared with 15-80 per cent previously.

For industrial branch policies, the reversionary bonus is lifted by 20p to £3.80 per cent of the sum assured, plus a special reversionary bonus of 5p per cent of the sum assured for each year in force up to a maximum of £2.50 per cent.

An additional bonus paid on death or maturity claims provided 15 years premiums have been paid is now £11.50 per cent of the sum assured.

He added that margins had been squeezed but the group was making profits.

LOOKERS

Forecasting the same sort of dividends as this year's, Mr. R. E. Tongue, chairman of Lookers said at the AGM that during the first four months of the current year new car sales had fallen but those of used cars had kept up well.

Sharp increase for Guthrie Berhad

Operating profits of Guthrie Berhad, the 73.8 per cent owned Singapore subsidiary of the Guthrie Corporation, rose almost 57 per cent to Singapore $14.69m for 1979, while the attributable surplus, after tax and extraordinary items, surged from $3.1m to $8.62m.

Tax rose from $1.72m to $3.74m and there were extraordinary credits of $1.57m ($0.7m debits) on the sale of the group's 50 per cent stake in Guthrie Boustead Shipping Agencies Singapore.

A final dividend of 8 cents, less tax, raises the total payment from 7 cents to 12 cents.

Although trading activities continued to be very competitive, turnover increased by 15 per cent to $265m. The need to keep working capital within reasonable levels continues to be a major concern.

Although 1980 has started in an encouraging fashion, with benefits expected from the acquisition of new agency lines, the directors say it would be unwise to predict the full year outcome.

Spending up £6.4m at IMI

CAPITAL EXPENDITURE during 1979 at IMI rose by £6.4m to £25m, with £22.5m being in the UK, compared with a depreciation provision of £11m, Sir Michael Clapham, chairman, tells shareholders.

Group contracts in respect of future capital and investment expenditure amounted to £6.74m (£5.97m) at December 31, 1979, and £8.68m (£11.74m) was authorised by directors, but not yet contracted for.

As reported on February 27, in a full preliminary statement, improved second half profits pushed up the year's figure from £32m to £34.54m on external sales of £611.98m (£524m). Exports rose by 14 per cent to £113m. The dividend is lifted to 4.4p (3.67855p) net per share with a 2.5p final.

The chairman says that cash generated by operations in 1979 of £49m, was only £4m short of group requirements, the rest being covered by short term borrowings.

Balance sheet shows fixed assets of £90.89m (£81.46m), net current assets of £132.8m (£131.28m) and total assets up from £268.6m to £281.5m.

Net liquid resources decreased by £4.1m against £10.1m.

The directors propose to replace the cash bonus scheme with one which will give employees the option of taking shares or cash.

Shareholders will be asked to approve the scheme at an EGM following the annual meeting which will be held at Midland Hotel, Birmingham, on April 15.

Sutton Water applications

A total of £7.24m applications were received for the offer for sale by tender of £3m 10 per cent redeemable preference stock 1983 by The Sutton District Water Company.

The lowest price to receive a partial allotment was £98.81 per cent against a minimum price of £98 per cent. The average price was £98.981.

Dealings start today. Brokers to the issue were Seymour Pierce and Co.

SKF

Financial statement

SKF Group sales amounted to 11.062 million Swedish kronor for the year ending 31 December 1979, which represents a rise of 16 per cent over the previous year's figure. Volume sales accounted for a third of the rise, while both steel and bearing sectors increased their market shares.

Group profit more than doubled to 475 million kronor before exchange differences and extraordinary items. All main product sectors contributed profits to Group income. SKF Steel pulling itself out of the red with a 100 million kronor improvement.

The year's results reflect the positive effects of ongoing rationalization, greater capacity utilization and intensified marketing. There is every reason to believe that this combination will also make it possible to achieve a significant improvement in Group income during 1980.

The Board and Managing Director propose an increased dividend from 4.50 kronor to 6.00 kronor per share.

The Annual General Meeting will be held in Gothenburg, Sweden, on 30 May 1980.

Mkr=million Swedish kronor	Financial year to 31 Dec 1979 Mkr	%	Financial year to 31 Dec 1978 Mkr	%
Group net sales	11,062	100.0	9,533	100.0
Other operating revenue	153		97	
Operating revenue	11,215		9,630	
Cost of goods sold	7,701	69.6	6,692	70.2
Selling, administrative and technical development expenses	2,173	19.7	1,949	20.4
Operating income before depreciation	1,341	12.1	989	10.4
Depreciation	465	4.2	446	4.7
Operating income after depreciation	876	7.9	543	5.7
Financial income and expenses – net	–401	3.6	–336	3.5
Income before exchange differences	475	4.3	207	2.2
Reserved for exchange losses	–15		–25	
Accounting translation differences	–137		–134	
Extraordinary income and expenses – net	–59		33	
Income before provisions and taxes	264	2.4	81	0.8
Provisions	21		169	
Taxes	–149		–141	
Minority interest	2		–8	
Net income	138	1.2	101	1.1
Capital expenditure, Mkr	407		442	
Average number of employees	53,994		54,468	
Earnings per Parent Company share, Skr	14.15		4.90	
Group sales by product sector*	Mkr	%	Mkr	%
Rolling bearings	8,200	69.2	7,240	70.7
Steel	1,840	15.5	1,470	14.4
Cutting tools	500	4.2	450	4.4
Other products	1,320	11.1	1,070	10.5
Total	11,860	100.0	10,230	100.0

*Figures include internal deliveries between product sectors.

WEEKS PETROLEUM LIMITED AND SUBSIDIARIES

PRELIMINARY AUDITED FINAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE YEAR TO 31st DECEMBER, 1979

	Year ended 31st December, 1979 US$000	Year ended 31st December, 1978 US$000	
Revenue			
Oil and gas revenue	16,709	13,808	+21%
Other	335	140	
	17,044	13,948	
Income before income tax	10,394	7,649	
Provision for Australian income tax	3,583	2,615	
Net income	6,811	5,034	+35%
Net income per ordinary and ordinary share equivalent	$.14	$.10	
Average number of ordinary and ordinary share equivalents outstanding in thousands	49,194	48,206	

Notes:
1. Interest paid, including bank overdraft interest, was US$1.307 million (1978 US$1.332 million).
2. Depletion, depreciation and amortisation amounted to US$2.316 million (1978 US$2.196 million).

A dividend in respect of 1979 of 3.15 Australian cents per share (1978 3.15 Australian cents per share) has been paid to holders of the convertible preferred ordinary shares. The directors do not intend to recommend a dividend on the ordinary shares (1978 nil).

NORTH AMERICAN NEWS

Siemens deal meets anti-trust opposition

By Stewart Fleming in New York

THE U.S. Justice Department has filed suit seeking to prevent Siemens, the leading West German electronics group, from acquiring certain medical diagnostic equipment manufacturing operations from G. D. Searle, a U.S. company which also makes ethical drugs.

The Department, which filed the suit in New York City, alleges that Siemens is one of the few potential entrants into the U.S. market for the equipment, which is dominated by four companies that between them accounted for more than 80 per cent of domestic sales between 1975 and 1979. The Government said that Searle is the largest of the four, with a market share of about 25 per cent in 1979.

Siemens announced last October that it was negotiating to purchase Searle's diagnostics division, which had total sales of $77m in 1978—and suffered a net loss of $14m.

The Justice Department move comes only a day after the new head of its anti-trust division, Mr. Sanford M. Litvack, said that he would aim to bring an anti-trust action against conglomerate mergers under section seven of the Clayton Anti-Trust Act.

The Department does not see the new Siemens case as specifically a conglomerate case, although it does have, in the Department's view, some conglomerate characteristics.

The objective of Mr. Litvack, however, is to try to bring a case which will enable the Department to establish a good precedent for pursuing conglomerate mergers under the existing anti-trust law.

Over the past three years, during which there was a surge in large-scale conglomerate mergers, the anti-trust authorities have tried several times to bring cases to block the transactions, but with limited success. The Justice Department failed, for example, to get a temporary restraining order in the case of the $1bn United Technologies/Carrier Corporation deal.

Chrysler backs call for Japan car import curbs

BY IAN HARGREAVES IN NEW YORK

MR. LEE IACOCCA, chairman of Chrysler, has called for Government measures to stem the flow of Japanese vehicle imports. Chrysler's afstest selling cars are those it imports from Mitsubishi.

Mr. Iacocca said that the tide of small-car imports threatened to widen Chrysler's loss this year from $500m to $700m.

He did not comment on the fact that 22 per cent of Chrysler's car sales last month were accounted for by the Mitsubishi models it imports from Japan, or the fact that Chrysler recently appealed to the Japanese to step up the level of shipments from a planned 200,000 to 220,000 this year.

Sales of Chrysler's Mitsubishi cars increased by more than 70 per cent last month compared with February, 1979, while there was a sharp fall in the sales of locally-built Chrysler cars.

Chrysler has a 15 per cent stake in Mitsubishi and has been trying to persuade the Japanese company to enter a wide-ranging agreement on future joint production.

Chrysler is also still haggling with seven Japanese banks about re-instituting permanent letters of credit to finance the imports. The banks have refused to comply

Mr. Iacocca did not specify what anti-Japanese measures he favours, but hinted at support for a proposal from the United Autoworkers Union that would restrict imports by manufacturers who refused to set up assembly plants in the U.S.

He said that he would like to see imports rolled back to the 17 to 18 per cent market share they captured in 1978. Last month, imports captured 27 per cent of the U.S. car market.

Pressure on Harvester mounts

BY OUR NEW YORK CORRESPONDENT

NEGOTIATORS FOR International Harvester, the big mid-western agricultural equipment and truck manufacturer, and the United Auto Workers Union, have intensified discussions aimed at settling the 133-day strike at the company — the longest strike in the car union's history.

Collective bargaining has continued uninterrupted since last weekend, and is expected to carry on over the forthcoming weekend too, as both sides count the rising cost of the dispute.

Some 35,000 employees have been called out, and the shut-down is beginning to have a bigger impact on International Harvester's suppliers and its dealer network across the country.

The pressure on the company to settle is mounting, following the $222m loss it reported in the first quarter ending January 31, and expectations among share analysts are that another heavy loss will be reported for the second quarter. Some fear that unless the strike is settled soon, International Harvester may decide to pass a forthcoming quarterly dividend in order to conserve cash. The company has already disclosed that it has cut back 1980 capital expenditure plans by $100m to $400m.

Although some progress has been made by negotiators on issues involving short-term lay-off provisions and employee job transfers, the main sticking point, which is the company's determination to implement compulsory overtime, remains. International Harvester feels that it is at a competitive disadvantage on this question. But the union is anxious to take away from IH's rivals their right of imposing competitive overtime, and is firmly resisting the concession of that right to the company.

Good first quarter for Moore

TORONTO—Moore Corporation of Canada, largest maker of business forms, expects a reasonably good first quarter and another good increase in sales and earnings in 1980, according to Mr. Donald S. Dunlop, vice-president and treasurer.

He said that earnings for the year should be in the range of U.S.$4.10 to U.S.$4.15 a share. In the first quarter of last year, the company earned $23.6m or 84 cents a share on sales of $364.7m. In the full year, the company earned a record of $104.1m on $3.72 a share on sales of $1.54bn.

Mr. Dunlop said that Moore entered 1980 with a strong order backlog, and that it expects demand for business forms to maintain reasonable growth during the year.

Mr. Dunlop pointed out that Moore sells to the broad market in the U.S. and is not locked in to any particular industry. As a result, he said, the company is sensitive to general economic conditions. Although Moore noticed a slackening of demand from major U.S. car concerns last year, and the business forms industry is not immune to business cycles, Mr. Dunlop said that it had performed better than some other industries in period of economic downturn.

AP-DJ

U.S. truck industry slump hits Dana profits

BY OUR NEW YORK STAFF

DANA, the motor and industrial components group, suffered a 31 per cent decline in second quarter earnings as the U.S. truck industry slump started to bite. Earnings for the quarter came out at $27.3m on sales down by 6 per cent at $651m.

For the six months, sales declined from $1.37bn to $1.35bn with net profits totalling $70.1m or $2.00 a share, against $80m or $2.50 a share for the previous corresponding period.

Mr. Gerry Mitchell, president, said he was pleased that the company's profit margin of 5.2 per cent had held up well ahead of industry averages, in spite of a big drop in demand for truck parts. U.S. truck sales fell by 18 per cent last year.

He forecast that truck production would increase "modestly" in the coming months.

● Gotaas-Larsen, the shipping company spun off last year from the IU International group, returned to profitability last year after a loss of $53.5m in 1978. The Bermuda-based company showed a net income of $2.3m last year on sales up from $147m to $161m. Most of the 1978 loss was due to vessel cancellations and losses on tanker sales.

● Thomson Newspapers, the North American publishing group of the Thomson family, has ended its fiscal year with profits up almost 15 per cent, our Financial Staff writes. Net earnings rose from C$56.6m or C$1.13 a share to C$65m or C$1.31 a share. Revenues advanced 9½ per cent, from C$306.5m to C$335.6m.

● Third quarter earnings of H. J. Heinz amounted to $21.99m or 94 cents a share, compared with $21.19m or 91 cents a share in the same period last year, on sales up from $566.7m to $703.6m.

This brings nine-month earnings to $103.55m or $4.52 a share, against $64m or $2.76 a share last time. Sales totalled $2.07bn against $1.72bn previously.

The directors expect earnings for the current year to increase to between $6.25 and 6.35 a share, from $4.80 in the year ended last May 2.

PAN-HOLDING

S.A.

LUXEMBOURG

The Board of Directors met on March 4, 1980 to finalise the accounts for the financial year 1979.

The accounts show a net profit of US$7,870,720.69 (versus US$6,871,164.37 in 1978).

The unconsolidated net asset value per share, adjusted for the distribution of one free share for four, as of December 31, 1979 amounted to US$158.95, i.e. an increase of 52.4 per cent as compared to December 31, 1978 or 54.4 per cent if the dividend of US$2.60 paid on July 2, 1979 is taken into account. However, this unconsolidated net asset value includes an extraordinary gain of US$19.34 per share realised through the repurchase of 140,000 shares held by the company's subsidiary Pan-Inter followed by their cancellation by the extraordinary general meeting of December 18, 1979.

When excluding this extraordinary gain, the increase of the unconsolidated net asset value per share would be 33.8 per cent as compared to December 31, 1978 and 35.8 per cent when taking into account the dividend paid.

As of December 31, 1979 the consolidated value amounted to US$161.71 per share, adjusted for the distribution of bonus shares.

The Board has decided to propose to the ordinary general meeting, to be held on May 30, 1980, to maintain, after the bonus issue, the distribution of a dividend of US$2.60 (two dollars sixty cents) per share of US$50 par value outstanding on June 30, 1980, which represents for the shareholder an increase of 25 per cent.

This dividend is free of withholding tax in Luxembourg and will be payable as from July 1, 1980.

The right to the bonus issue is dealt in on the Luxembourg stock exchange since February 19 and until March 21, 1980. It is also dealt in on the "Hors Cote de la Bourse de Paris".

The delivery operations of the new shares will start on March 24, 1980.

The Board of Directors has also decided to propose to the annual shareholders' meeting the nomination of Maitre Jacques Loesch, Mr. Alain Philippe and Miss Béatrice Philippe as Directors. They all are members of the Executive Committee of the Company.

As of February 29, 1980, the unconsolidated net asset value amounted to US$174.51 per share, an increase of 9.8 per cent compared to December 31, 1979 and the consolidated net asset value amounted to US$177.39 per share.

NOTEHOLDERS OF BANQUE SUDAMERIS FLOATING RATE NOTES DUE 1987

Banque Sudameris
French Société Anonyme
with a Share Capital of FF 129,000,000
Registered Office: 4, rue Meyerbeer, 75009 Paris, France
R.C.S. PARIS B 542 056 544 A.P.E. 8902

NOTICE OF SECOND CONVENING OF THE FIRST MEETING OF GENERAL ASSEMBLY OF NOTEHOLDERS

The first convening of the First Meeting of the General Assembly of Noteholders on March 10th, 1980, not having been able to validly act due to the absence of the required quorum, notice is hereby given to the holders of Floating Rate Notes due 1987 ("Notes") issued by BANQUE SUDAMERIS in aggregate principal amount of US$30,000,000 (all of which are outstanding) that the Second Convening of the First Meeting of the General Assembly of Noteholders will be held on March 24th, 1980 at 3.15 p.m., Paris time at the registered office of BANQUE SUDAMERIS, 4, rue Meyerbeer, 75009 PARIS, France, for the purpose of acting upon the following:

— Appointment of Representatives of the "Masse" Noteholders. Mr. Roger BODIN, 35, avenue de Saint-Mande 75012 PARIS, France. Mr. Jean FLEURET-LABAYLE, 4, square Leon Blum 92800 PUTEAUX, France.
— Determination of the powers, term of appointment and remuneration of the Representatives of the "Masse" Noteholders
— Determination of the place for filing of records of the meeting
— Miscellaneous.

Any Noteholder may attend the Meeting or be represented at the Meeting by proxy. In order to participate in the action to be taken at the Meeting or to be represented at the Meeting, Noteholders must deposit their Notes (or a certificate of deposit issue by the bank, financial institution or stockbroker with whom such Notes have been deposited) at least five (5) days prior to the date set for the reconvened Meeting, March 24th 1980.

— BANQUE SUDAMERIS, 75009 PARIS, 4, rue Meyerbeer.
— BANQUE DE SUEZ-LUXEMBOURG S.A., LUXEMBOURG, 10, rue Aldringen.
— BANCA COMMERCIALE ITALIANA, 20121 MILAN, Piazza della Scala, 6.
— BANQUE DE PARIS & DES PAYS-BAS POUR LE GRAND DUCHE DU LUXEMBOURG, LUXEMBOURG 10a, boulevard Royal.
— CREDIT INDUSTRIEL & COMMERCIAL, NEW YORK, NEW YORK 10017, 280, Park Avenue.
— MIDLAND BANK LIMITED, LONDON EC2P 2BN, P.O. Box 181, 60 Gracechurch Street.
— MORGAN GUARANTY TRUST, 1040 BRUXELLES, 35, avenue des Arts.
— SOCIETE GENERALE, 75009 PARIS, 29 boulevard Haussmann.
— UNION BANK OF SWITZERLAND 8021 ZURICH, 45 Bahnhofstrasse.

These banks will issue receipts for such deposits and will make available forms of proxies enabling Noteholders to be represented at the Meeting by proxy. Receipts obtained and proxies given for Meeting as first convened may be used for the second convening of the Meeting. Noteholders, either in person or through a duly appointed agent, shall have the right to inspect or copy the texts of resolutions to be proposed at the Meeting at the registered office of Banque Sudameris and at the office of Banque de Suez-Luxembourg S.A. in Luxembourg.

BANQUE SUDAMERIS
The Board of Directors.

VONTOBEL EUROBOND INDICES

14.5.76=100%

PRICE INDEX	11.3.80	4.3.80	AVERAGE YIELD	11.3.80	4.3.80
DM Bonds	89.16	90.61	DM Bonds	9.436	9.110
HFL Bonds & Notes	85.66	86.40	HFL Bonds & Notes	11.138	10.982
U.S. $ Strt. Bonds	79.58	80.20	U.S. $ Strt. Bonds	13.037	12.887
Can. Dollar Bonds	82.67	83.25	Can. Dollar Bonds	13.352	13.206

Currency losses hit Seagram earnings

By Robert Gibbens in Montreal

EARNINGS OF Seagram of Canada, the world's largest distilling group, in the second quarter ended January 31, were inhibited by foreign-exchange losses.

Second-quarter profits were U.S.$8.7m or 25 cents a share, against $18.4m or 52 cents a year earlier. Sales were $787m against $691m.

Second-quarter results are struck after a net foreign-exchange translation loss of $13.1m or 37 cents a share, against an exchange gain of $1.7m or 4 cents a share a year earlier. The company would not immediately enlarge on that explanation for the setback.

In the first half, the company earned $56.2m or $1.60 a share against $47.4m or $1.35 a share a year earlier. Sales were $1.56bn against $1.39bn.

The company reported a foreign exchange translation loss for the first half of $5.8m or 15 cents a share, against a loss of £3.4m or 10 cents a share a year earlier.

Life business boosts AIG

By David Lascelles in New York

AMERICAN International Group (AIG), one of the most internationally-orientated U.S. insurance companies, yesterday reported a 21 per cent gain in earnings for 1979 despite what it termed greater competition and other cost pressures.

Operating income was $231.4m or $6.17 a share, up from $190.5m or $5.13 in 1978. In the final quarter, AIG earned $66.2m or $1.76, up from $55.5m or $1.49 in the same period of 1978.

Among the strongest segments was life insurance, where premiums rose by 23 per cent.

Mr. Maurice Greenberg, the chairman, said that 1979 had been a good year, although the company's combined ratio (a key measure of insurance company performance) had risen slightly, from 93.38 to 94.29. AIG had experienced inflationary pressures, he said, greater competition and significant losses connected with the multiple hurricanes that swept through the southern U.S. last year.

New system for NYSE

By Our New York Staff

STARTING TOMORROW, the New York Stock Exchange is to try out a new system for sorting out buy and sell orders that are entered before the Exchange opens each day. This accumulation of orders usually produces some hectic moments in the opening minutes.

The system, called the Opening Automated Report Service (or OARS), will enable buy and sell orders to be matched without going through floor brokers. It should also speed up price reporting and, it is hoped, eliminate errors.

OARS will handle trades in only 10 stocks to start with, but will be expanded later.

U.S. QUARTERLIES

CHICAGO PNEUMATIC TOOL	1979	1978
	$	$
Fourth quarter		
Revenue	124.9m	102.5m
Net profits	†1.46m	6.02m
Net per share	†0.03	1.13
Year		
Revenue	454.9m	377.3m
Net profits	16.59m	20.59m
Net per share	3.30	3.84
† Loss		

HOLLINGER ARGUS	1979	1978
Year	$	$
Revenue	65m	36.2m
Net profits	21.82m	13.01m
Net per share	4.07	2.64

KROEHLER MANUFACTURING	1979	1978
Fourth quarter	$	$
Revenue	21.3m	32.1m
Net profits	†8.74m	†3.36m
Year		
Revenue	160.3m	142m
Net profits	†18.38m	†9.46m
Net per share	†14.24	†7.33
† Loss		

REVCO DS	1979	1978
Third quarter	$	$
Revenue	271.9m	234.8m
Net profits	10.32m	9.09m
Net per share	0.76	0.68
Nine months		
Revenue	739.5m	629.2m
Net profits	26.02m	22.32m
Net per share	1.93	1.67

WEST POINT-PEPPERELL	1979	1978
Second quarter	$	$
Revenue	307.8m	226m
Net profits	9.92m	5.14m
Net per share	2.18	1.06
Six months		
Revenue	615.3m	478.2m
Net profits	20.26m	12.53m
Net per share	4.45	2.59

WICKES	1979	1978
Fourth quarter	$	$
Revenue	482.1m	418.5m
Net profits	5.31m	4.69m
Net per share	0.45	0.38
Year		
Revenue	2.01bn	1.91bn
Net profits	39.7m	34.38m
Net per share	3.49	3.14

F. W. WOOLWORTH	1979	1978
Fourth quarter	$	$
Revenue	2.15bn	1.96bn
Net profits	105m	83m
Net per share	3.56	2.83
Year		
Revenue	6.79bn	6.10bn
Net profits	180m	130m
Net per share	6.02	4.34

CAPITAL MARKETS

Two foreign Swiss franc bond offers postponed

BY FRANCIS GHILÈS

TWO FOREIGN Swiss franc-denominated bonds have been postponed because of the poor state of this sector of the Euro-bond market an dthe growing reluctance of investors to buy Swiss franc paper. Banque Keyser Ullmann en Suisse and Nordfinanz have decided to postpone until earl yMay a SwFr 60m issue which they had planned to float for Lonrho between March 20 and 26.

Meanwhile, Handelsbank said it was opstpoting a SwFr 65m issue for the Spanish borrower Iberduero.

Prices of outstanding Swiss franc foreign bonds have posted falls of more than five points over the past two weeks, pushing up the average yield by ½ of a point to over 7 per cent. Yesterday, however, most bonds gained about ½ of a point

Deutsche-Mark foreign bonds were firmer yesterday, rising by about ½ of a point. Two factors appear to be behind this gentle rise in prices. First of all, D-Mark deposit rates did not move down while dollar deposit rates did, quite markedly. Seondly, some German bankers expect the Bundesbank to help the market by injecting some liquidity an dby possibly rescinding the ban on selling Schuldscheine notes of less than five years' maturity to foreign residents. With yields on outstanding foreign D-Mark issues now standing at around 9.70 per cent, investors can expect a real return of about ⅞ per cent on the paper they buy.

Dollar bond prices moved erratically yesterday: straight dollar bonds moved up at the start of trading but the movement petered out before lunch. By early afternoon prices weakened in the face of price falls in New York, but prices later rallied to finish the day with gains of about ½ of a point on the day, helped by the easing in deposit rates.

The Yankee bond offering for Export Development Corporation of Canada, which is managed by Salomon Brothers, was increased by $50m from the initial amount of $200m and priced at par after the coupon was fixed at 14 per cent. This provides the investor with a yield of 14.49 per cent on an AIBD basis and resulted, according to the lead manager, in some lively swapping for clients eager to buy the new issue.

Sterling-dominated bonds moved up by an average of ¼ of a point yesterday, while French franc bonds were unchanged.

Denmark arranges $250m loan

BY PETER MONTAGNON

THE KINGDOM of Denmark is currently arranging a $250m, eight-year credit from a small group of international banks, its first such operation since the Central Bank Governor, Mr. Erik Hoffmayer, said in January that the country was facing an "economic abyss."

In spite of Mr. Hoffmeyer's pessimissim, the loan carries a spread of only ½ per cent over Libor throughout, the same as that on its $600m, ten-year credit arranged last summer.

The present loan will have a grace period of one year. It will be syndicated on a "club" basis through a small group of banks currently being formed under the co-ordination of local Danish banks.

The fact that Denmark has been able to obtain such favourable terms on its borrowing underlines once again the resistance to higher spreads in a market which is now becoming increasingly liquid.

According to bankers in Copenhagen, the success of the recent eight-year borrowing by the Central Bank of Finland also played a role in determining the pricing. This loan has a split spread of ⅝ and ½ points over Libor, and the amount was raised to $150m from $100m because of strong demand.

Denmark currently has about $1.1bn in undrawn credit commitments, and with reserves standing at around $3bn, it has no urgent need to raise money on the international capital markets.

However, the decision to go ahead with a loan at this stage is in line with the Kingdom's policy of keeping a bolster of undrawn commitments against future external financing needs.

Record Dutch tender

BY JEFFREY BROWN

APPLICATIONS for the latest bond tender by the Dutch Government totalled a record Fl 1bn ($500m), it was disclosed yesterday.

The minimum tender price for the 10-year bonds, which carry a coupon of 11½ per cent, was struck at 100.5. In January the Government raised Fl 650m over 15 years on a coupon of 9¾ per cent.

FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month.

Closing prices on March 12

U.S. DOLLAR STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Alcoa of Australia 10 89	60	79	79½	+0¼	+0¼	14.13
Alex Howden XW 9½ 91	30	†70	72	0	0	14.97
Australian Res. 9¾ 84 ...	30	84¾	85¼	+0½	+0⅛	14.42
Avco O/S Cap. 10¼ 87	40	76½	78	+0⅛	+2¼	15.73
Beneficial Fin. 9¾ 87 ...	100	80¼	80⅝	+1⅛	+0⅝	14.19
CECA Grad. Rate 12 86	100	88¾	89	−0½	−0⅝	14.73
CECA 11⅛ 90	50	84	85	−0⅛	−0¼	14.68
Canadian Pacific 9¾ 89	50	80½	81¼	+2½	+2⅛	13.49
Carter Hawley 9¾ 86 ...	50	81⅞	82⅜	+0⅝	+1⅛	14.19
Comalco Inv. E. 10¼ 91	40	78⅛	78¾	0	+0¼	14.13
Continental Grp. 9⅝ 86	100	81½	82	+1⅛	+0⅞	14.16
Dome Petroleum 10 94	50	75¾	76¼	+1⅛	+1⅛	13.93
Dominion Bridge 10¼ 84	30	87⅞	88⅜	+0½	+0¼	14.10
EIB 11¾ 92	80	84	84½	+0⅛	+1⅛	14.60
[illegible] 10¼ 87	100	†81¼	82¼	−0⅛	+0½	14.78
[illegible] 10.75 99	100	†72½	73	+0⅜	−0⅝	14.88
[illegible] 11¼ 87	50	87⅛	88¼	+0⅜	+0⅝	14.10
Export Dv. Cpn. 9¼ 84		84⅜	85⅛	+0½	+0¼	14.52
Export Dv. Cpn. 9¾ 84	150	85⅛	85⅝	+1	+0¼	14.35
Finland 9⅝ 89	100	76⅜	76⅞	+1⅛	+0⅛	14.73
[illegible] Finance 9¾ 89 ...	55	78⅛	78⅞	+0¼	+0⅞	13.97
[illegible] 9¼ 86	100	81	81½	+0½	+0¼	13.90
GMAC O/S Fin. 11 84	100	89½	90	+0⅜	−0⅜	14.06
Gould Int. Fin. 9¾ 85...	50	84¼	84¾	+0½	0	14.31
ITT Antilles 9½ 89	75	†75⅝	76⅛	+0⅜	+0½	14.39
Kennecott Int. 9½ 86...	100	79⅜	80¼	+1⅛	+1⅛	14.81
Manitoba 9½ 89	75	77⅞	78⅜	+0⅜	+0½	13.90
Michelin 10 94	125	72¾	73¼	+1⅛	+0⅞	14.54
Nat. Des. Telecm. 9½ 86	100	81½	81⅞	+0¼	+0⅜	14.08
New Brunswick 9¾ 94	75	74⅛	74⅝	+0½	+1	14.02
Newfoundland 10 94 ...	50	76⅜	76⅞	+1⅞	+3½	13.87
Norges Komm. 9⅞ 99...	100	†71⅝	72⅛	+0⅜	+0⅝	14.65
Norway 9½ 84	150	85⅜	86⅛	+0⅜	+0⅝	14.22
Nova Scotia Pwr. 9¾ 89	50	79¼	79¾	+1½	+1⅞	13.81
Occidental Fin. 10¼ 84	50	†86	88½	−0¼	0	14.82
Orient Leasing 9½ 86...	25	77¾	78¼	+0¼	−0⅝	15.12
Pennwalt O/S F. 9¾ 84	25	84⅜	85⅛	+0½	−0½	14.78
Pepsico Cap. 9¼ 84 ...	100	85¼	85¾	+0⅛	−0¼	14.28
Quebec Hydro 10 99 ...	75	72¾	73¼	+1	+2⅝	14.13
Sears Roebuck 9 82 ...	150	90	90½	+0⅛	+0½	15.19
Statoil 9⅝ 89	100	78½	79	+0⅜	+1¼	13.76
Sweden 9¾ 89	100	78⅞	79¼	+0⅞	+1	13.91
Sweden 9½ 86	200	81½	82	0	−0⅛	14.54
Sweden 9¾ 84	100	85½	86	+0⅛	+0⅞	14.26
Unilever NV 9¼ 87	100	79⅞	80⅜	+0¼	+1⅛	13.68
Warner-Lambert 9 84 ..	100	83⅞	84½	+0½	−0¼	14.73

Average price changes... On day +0½ on week +0½

DEUTSCHE MARK STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
African Dev. Bk. 8 87	100	92⅞	93⅜	0	−1½	9.25
Asian Dev. Bk. 7¼ 89...	100	82⅞	83⅜	−0¼	−3½	10.08
Australia 8¼ 90	250	96⅞	97⅛	+0⅛	−1½	8.62
Barclays O'seas 6¾ 89	100	82	83	0	−0½	9.72
BFCE 7¼ 87	100	90¼	91⅛	+0½	−0½	9.65
BFCE 8¼ 95	100	87⅛	88⅛	+0½	−1⅝	9.71
Brazil 8 87	150	86⅝	87⅝	+0½	+3	10.61
CECA 7 91	150	84⅜	85⅛	0	−1⅛	9.25
Council of Eur. 7¼ 89...	100	86⅝	87⅛	−1	−2¼	9.47
Denmark 7⅞ 86	100	90⅞	91⅝	0	−0⅛	9.30
Denmark 8¼ 92	100	90	90¾	+0⅛	−1	9.64
EEC 7⅞ 94	225	87½	88⅛	+0⅛	−1	9.44
EIB 7½ 89	200	87	87¾	+0½	−0⅞	9.62
Finland Rep. of 8 86...	150	90½	91¼	+0⅜	−0⅜	9.90
Kobe, City of 7¼ 89 ...	150	83⅜	83⅞	+0⅜	−1⅝	9.86
Neder Gasunie 8 86 ...	100	91½	92½	−0½	−0½	9.66
New Zealand 7¾ 87 ...	200	85¼	86	−0¼	−2⅞	9.81
Norges Komm. 7¾ 91...	150	88	89	−0½	−0⅜	9.44
Norway 7½ 85	250	92¼	92⅞	+0¼	0	9.49
OKB 6 87	40	83	84	0	−2	9.35
OKB 7¾ 89	100	85	86	−0½	−1¼	9.76
World Bank 7¾ 91	400	86	86¾	+0⅛	−1⅝	9.78
World Bank 7⅞ 90	250	88⅜	89⅛	0	−0⅝	9.69

Average price changes... On day −0⅛ on week −1

SWISS FRANC STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Argentina 5½ 89	80	83¾	84¼	+1½	−0⅛	7.99
Aumar 5 89	60	80¼	81¼	0	+0¼	7.96
Australia 3⅝ 89	250	82	82½	+0½	−1½	6.25
Bergen, City of 4¾ 91..	40	83	84	0	+0¼	6.89
BNDE 5 89	75	78	78¾	+0⅛	−0⅞	8.42
BMW Overseas 4¼ 91...	100	81⅛	81⅞	−0⅛	−3⅛	6.58
Caisse Nat. Tele. 4½ 89	100	83½	84¼	−0⅛	−2½	6.73
Canada 3⅞ 89	300	82	82½	+0⅛	−2	6.26
CCCE 5¾ 90	100	96¼	88¾	−0⅛	+0¼	6.23
Copenhagen 4½ 91 ..	60	81	82	0	−4½	6.87
Council of Eur. 5 89 ...	100	84⅛	84⅝	−0¼	−1⅞	7.30
EIB 4½ 91	100	79½	80¼	−0⅛	−5⅛	7.15
EIB 4⅜ 94	100	76	76½	+0⅞	−2	7.04
Elet. de France 4⅛ 89 ..	100	85	85⅜	+0¼	−2⅞	6.50
GZB 4¾ 89	100	81½	82	−0⅛	−1½	6.90
Hilti 4½ 91	35	82½	83½	−0⅛	+0¼	6.36
Int.-Amer. Dev. 4½ 89	100	77¾	78¼	+1½	−2¼	7.89
Jutland Tele. 5½ 90 ...	50	92	92½	+0¼	−1	6.59
Malaysia 5 89	80	84¾	85¼	−0¼	−1	7.22
Nippon Tel. & T. 4¼ 89	100	84	84½	−0⅛	−3½	6.51
Nordic Bank 5 89	45	87	87¾	+3⅛	−2⅛	6.87
Norges Komm. 4¾ 91...	100	79½	80	−0⅜	−3⅛	6.98
OKB 3¾ 91	100	73¼	73¾	−0¼	−3⅛	7.34
OKB 4¾ 91	100	79¾	80¼	−0⅛	−0⅜	6.94
Oslo, City of 4⅜ 91 ...	100	78¼	78¾	0	−2⅝	7.16
Shikoku El. Pwr. 4¾ 89	100	84½	85	0	−1½	7.01
Stoweg 4¾ 91	80	82¾	83¼	−0⅛	−2¼	6.98
Voest-Alpine 4¾ 89 ...	90	83⅜	83⅝	−0⅜	−0⅞	7.28
World Bank 4⅜ 89	100	82	82½	0	−4½	7.29
World Bank 4⅛ 89	150	80	80½	+0¼	−3	7.32
World Bank 4⅝ 91	100	81	81½	+0½	−3½	7.03

Average price changes... On day +0⅜ on week −2⅛

YEN STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Australia 5.6 83	30	83	84	+0⅜	−0⅛	11.43
Australia 6½ 83	20	76	77	+0¼	−4⅛	16.99
EIB 7¾ 89	12	†85⅝	86¼	+0⅛	−1	10.15
Finland 5.6 83	10	81½	82½	−0⅛	−2⅛	11.95
Finland 6.8 83	10	79	80	0	−0⅞	10.69

Average price changes... On day +0½ on week −1¼

OTHER STRAIGHTS	Issued	Bid	Offer	Change on day	Change on week	Yield
Avco Fin. 10¾ 86 C$ ...	25	80½	81¾	+0⅛	−0½	15.21
Bell Canada 10¾ 86 C$	60	86⅝	86⅞	+0⅛	0	14.22
Cr. Foncier 10¼ 84 C$	30	84¾	85⅛	0	−0¼	15.06
Ex. Dev. Cpn. 10 84 C$	50	85⅛	85⅝	+0¼	−1⅞	14.83
Fst. Can. Inv. 10 84 C$	50	85¼	85¾	+0¼	−1⅞	14.87
Hudson Bay 10½ 89 C$	80	78⅜	78⅞	+0¼	−1⅞	14.93
Quebec 10¼ 86 C$	50	82¾	83¼	+1⅛	+0⅞	14.57
R. Bk. Canada 10 86 C$	40	84¾	85¼	+1½	+1⅛	13.73
R. Bk. Canada 10 94 C$	40	74⅞	75⅜	+1⅛	+0½	14.14
Copenhagen 8¾ 91 EUA	20	89½	90⅜	0	−2½	10.23
M. Bk. Dnmk. 9 91 EUA	25	92½	93½	0	−0⅜	10.03
SOFTE 8¾ 89 EUA	40	82	83¼	0	−2	11.42
U. Bk. Nrwy. 9½ 90 EUA	18	97½	98½	0	0	9.82
Algemene Bk. 8¾ 84 Fl	75	91½	92¼	+0⅛	−0¼	10.54
Ned. Gasunie 8¾ 84 Fl	50	90⅜	90⅞	+0⅛	−0⅛	11.65
Ned. Middbk. 8¾ 84 Fl	75	90¾	91¼	+0⅛	−0½	11.12
Norway 8¼ 84 Fl	100	91½	92½	+0⅛	−0⅛	10.77
Norway 8½ 84 Fl	100	92	92½	+0½	−0¼	10.41
Philips Lamps 8½ 84 Fl	75	91	91½	+0⅛	−1⅛	11.15
Air France 11 84 FFr ...	120	89	89¾	0	−1½	14.30
Euratom 9¾ 87 FFr	150	78⅞	79⅜	0	0	14.62
Finland 11 84 FFr	80	87⅞	88⅜	0	−0⅛	14.68
Finland 11½ 89 FFr	70	83⅜	84⅛	0	−2⅛	14.62
Gaz de France 11 84 FFr	150	87⅞	89⅛	0	−1⅛	14.53
IBM France 11½ 84 FFr	120	90	91	0	−1⅛	14.74
Renault 9¾ 85 FFr	100	81½	82⅛	0	−0½	14.88
Saint-Gobain 9¾ 86 FFr	130	79⅜	81	0	0	14.79
Solvay et Cie 9¾ 87 FFr	125	78	78¾	0	+0⅛	14.87
Total Oil 9¾ 87 FFr ...	150	77⅞	78⅜	−0⅛	−1⅛	14.66
Citicorp O/S 13½ 90 £...	50	89½	90⅜	+0½	+0⅛	15.55
EIB 11½ 91 £	25	78⅞	79⅜	+0¼	+1⅛	15.47
Finance for Ind. 13 91 £	15	85½	86¼	−0⅛	−1½	15.78
Fin. for Ind. 12½ 89 £	30	84⅝	85⅛	+0⅛	0	15.62
Gen. Elec. Co. 12½ 89 £	50	86	86½	+0⅛	0	15.39
Indonesia 8¾ 91 KD ...	7	†93	93½	0	0	9.75
Mitsubishi 7½ 84 KD ...	10	†95⅛	95⅞	0	0	8.72
Norges Kom. 7½ 89 KD	12	†93⅜	93⅞	0	0	8.52
Occidental 8½ 91 KD ...	7	†90¼	90⅞	0	0	9.67
Akzo 9¾ 87 LuxFr	500	88⅞	89⅞	−0½	−3⅛	11.39
Euratom 8 87 LuxFr	500	81½	82½	−0½	−4⅛	11.86
Euratom 9¾ 88 LuxFr ...	500	91	92	−1½	−5	11.44
EIB 9¾ 88 LuxFr	600	93	94	+0⅛	−4½	11.02
Volvo 9¾ 87 LuxFr	500	90¼	91½	−2½	−5⅛	11.55

FLOATING RATE NOTES	Spread	Bid	Offer	C.dte	C.cpn	C.yld
Allied Irish Bk. 5¾ 87...	0¼	97	97½	2/7	15⅛	15.56
Banco di Roma Int. 6 87	0¼	98⅛	99⅛	26/4	15¼	15.53
Bank of Ireland 5¾ 89...	‡0¼	96⅜	97⅜	21/5	16¼	16.65
Bank of Tokyo 5¾ 89 ...	‡0¼	96⅞	97⅜	25/4	14.56	14.89
Barclays O/S Inv. 5 90	0¼	96	96½	13/6	14¼	14.81
Bergen Bk. A/S 6 89 ...	‡0¼	96⅞	97⅜	29/5	17⅛	17.81
Bque. Indo Suez 5¾ 89	0¼	97	97½	11/7	14.69	15.10
Citicorp O/S F. 6 94 ...	‡0¼	99⅜	99⅞	8/3	14.44	14.53
Citicorp O/S F. 83 ....§‡0		99	99½	23/5	16.06	16.18
Citicorp O/S F. 84	‡0	99⅛	99⅞	30/5	16.94	17.00
Co-operative Bk. 6 86....	0⅛	97¼	97⅞	15/5	15.06	15.45
Creditanstalt 5½ 91......	§‡0¼	98½	99	14/3	14⅞	15.06
CNT 5¾ 86............	§0¼	99⅜	99⅞	16/4	15.19	15.28
GZB 5½ 89	§0¼	97⅛	97⅝	1/5	14⅝	15.00
Jugobanka 8 89	0⅞	92½	93½	23/5	16	17.20
Ind. Bank Japan 5¾ 87	0¼	97⅜	97⅞	15/4	14¼	14.60
LTCB Japan 5¾ 86	0¼	96⅜	96⅞	13/6	14¼	14.75
LTCB Japan 5½ 89	0¼	96	96½	7/6	14.19	14.74
Mfrs. Han. O/S 5¾ 94...	‡0¼	98⅜	98⅞	30/5	17½	17.38
Midland Intl. Fin. 5 89	0¼	98⅛	98⅝	20/6	15	15.25
Nacional Fin. 6¾ 86	0⅛	96⅝	97⅛	25/7	14.69	15.16
Nat. West. 5¾ 94.........	§0¼	97⅛	97⅝	11/4	14.94	15.32
Nippon Credit 6½ 86 ...	0⅛	96⅜	96⅞	12/7	14.44	14.98
Nippon Credit 5¾ 87 ...	‡0¼	96⅞	97⅛	6/5	14.69	15.12
Royal Bk. Scot. 5¾ 94...	§‡0¼	98⅛	98⅝	11/4	14⅝	14.85
Soc. C. de Bque. 6½ 87	0⅛	96⅞	97⅛	3/4	13⅛	13.66
Sogenal 5¾ 88	§0¼	96⅛	96⅞	13/7	14.44	14.94
Standard Chart. 5¾ 90...	0¼	97⅛	98⅛	6/9	17⅛	17.60
Sweden 8¾ 91	‡0¼	96⅞	97⅜	16/4	14.44	14.87
TVO Pwr. 9 91 (D-lock)	0¼	96⅛	96⅝	24/5	15.31	15.87
Williams & Glyn 5¾ 91	0¼	97⅛	98⅛	14/3	13	13.25
Bq. E. d'Alg. 4¾ 89 SF	0¼	91	92	18/6	6.69	7.31

Average price changes... On day 0 on week −0⅛

CONVERTIBLE BONDS	Cnv. date	Cnv. price	Bid	Offer	Chg. day	Prem
AGA Akt'bolag 7¾ 89...	10/79	145	111¼	112¼	−1⅛	−9.78
Ajinomoto 7¾ 95	2/80	618	85½	86½	+1⅛	2.25
Alco Int. Fin. 9½ 94 ...	1/80	40	88½	89¼	0	24.52
Asahi Optical 7 94	11/79	605	76⅛	77⅛	+1⅛	−0.57
Canon 6¾ 94............	8/79	570	95	96	+2⅛	5.20
Ciba-Geigy O/S F. 4 94	9/79	675	†74	75	0	−10.24
Credit Suisse 4¾ 93 ...	10/79	1325	91	92⅛	−0⅛	−5.67
Daiei Inc. 6½ 94	11/79	1020	89½	90½	+1⅛	32.81
Enserch Fin. 9½ 94	7/80	30.25	97⅛	98⅛	−2⅛	9.09
LPC Internatnl. 8 89 ...	9/79	23.33	96⅛	97⅛	0	3.16
Maidensha Elec. 7 94...	12/79	210	87	88	+1⅛	17.80
Mitsubishi Cp. 6½ 94...	10/79	604	114⅛	115⅛	+1½	3.36
Nippon Seiko 7¾ 94 ...	12/79	339	†92½	93½	0	−5.01
Nitto Elec. Ind. 6 94 ...	7/79	735	84½	85⅛	+0⅛	−0.03
Toshiba Cpn. 7¾ 94 ...	10/79	198	85⅛	86⅛	+1⅛	3.40
Union Bk. Switz. 5 89...	2/80	125	90	92	+0⅛	−8.63
Fujitsu 5 84 DM	7/79	475	85⅛	86⅛	0	11.25
Kansai Elec. 4 84 DM ..	4/79	1234	79⅛	80⅛	−6⅛	52.82
Tokyu Ld. Cp. 4 86 DM	4/79	493	70⅞	71⅞	0	35.05
Uny Co. 6½ 85 DM......	11/79	1071	86⅛	87⅛	+0⅞	29.17

* No information available—previous day's price.

† Only one market maker supplied a price.

Straight Bonds: The yield is the yield to redemption of the mid-price; the amount issued is in millions of currency units except for Yen bonds where it is in billions. Change on week=Change over price a week earlier.

Floating Rate Notes: Denominated in dollars unless otherwise indicated. Coupon shown is minimum. C.dte=Date next coupon becomes effective. Spread=Margin above six-month offered rate (‡ three-month; § above mean rate) for U.S. dollars. C.cpn=The current coupon. C.yld=The current yield.

Convertible Bonds: Denominated in dollars unless otherwise indicated. Chg. day=Change on day. Cnv. date=First date for conversion into shares. Cnv. price=Nominal amount of bond per share expressed in currency of share at conversion rate fixed at issue. Prem=Percentage premium of the current effective price of acquiring shares via the bond over the most recent price of the shares.

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INTL. COMPANIES & FINANCE

Recovery seen at Societa Generale Immobiliare

BY PAUL BETTS IN ROME

THE ITALCASSE loan scandal, which has led to the arrest of 40 Italian bankers and businessmen, is causing growing concern to Societa Generale Immobiliare (SGI), Italys largest private construction and property group, which expects to announce a healthy recovery for 1979.

After reporting a loss of L2.8bn in 1978, the company now expects its 1979 results to show the first break-even for 10 years. Group turnover is expected to total about $80m, the company said.

Sig. Arcangelo Belli, managing director and largest shareholder of SGI, has, like a number of other Italian businessmen involved in the Italcasse affair, been accused of obtaining irregular funds from Italcasse, Italy's central institute of savings banks, without giving proper guarantees.

Sig. Belli's arrest during the police dragnet last week, which led to the detention of a large slice of Italy's savings banks establishment, could not have come at a more delicate time for SGI.

While Sig. Belli has denied the charges of embezzlement of public funds and SGI has alleged that the funds, totalling L57bn ($70m) advanced by Italcasse to the SGI managing director were specifically granted for Sig. Belli's construction activities outside the group, the Rome-based property company says it is increasingly worried over the eventual repercussions of the affair, especially on its international business.

During the past four years, SGI, Europe's largest property enterprise, has been seeking to recover its international credibility and resolve the grave financial difficulties it inherited from the former management of Sig. Michele Sindona, the Sicilian financier now facing trial in New York.

SGI, formerly controlled by the Vatican, was generally regarded as the sheet anchor of Sig Sindona's financial empire in Italy. But under Sig Sindona's management, the property and construction group accumulated debts in Italy and abroad totalling the equivalent of about $500m, largely as a result of the Sicilian financier's foreign-exchange and commodity-market losses.

But the company — now controlled by Sig Belli, who holds a 35 per cent stake in SGI, as well as a group of other Rome property entrepreneurs, the Banco di Roma and many small shareholders—has since managed to reduce its overall indebtedness by the sale of some $200m worth of fixed assets, two successive L10bn capital increases, and a recovery of its construction activities in Italy and abroad.

However, after apparently regaining its international credibility after the Sindona affair, the company now fears its image might again be damaged by the latest scandal involving Italcasse.

The Italcasse affair has also caused widespread consternation among the Italian banking establishment, which has expressed growing alarm over the controversial initiatives taken by some Italian magistrates curently conducting inquiries.

Wereldhave may pull out of UK

BY CHARLES BATCHELOR IN AMSTERDAM

WERELDHAVE, the Dutch property investment group, which bid unsuccessfully for English Property Corporation in 1978, will pull out of the British property market altogether if it cannot expand its portfolio to a worthwhile size.

The company has Fl 30m ($15m) of its Fl 911m ($456m) investments based in the UK. That is considerably less than its investments in most other countries and less than Fl 100m-150m needed to justify the establishment of a local office, Mr. Willem van Dijk, Wereldhave's chairman said yesterday.

High rates of interest in the UK coupled with low yields on property make the British market unattractive at he moment. "If we are not able to increase our portfolio in London, then in the longer term we will have to take leave of our investments there."

Wereldhave increased its net profit by 8 per cent to Fl 24.3m last year on a share portfolio that rose 28 per cent to Fl 911m. The company's assets after payment of dividend rose to Fl 439m. Rental income rose 15 per cent to Fl 53.5m.

Profit per share rose to Fl 8.69 from Fl 8.06. Wereldhave proposes paying a dividend of Fl 6.25 in cash plus 3½ per cent tax free in shares, compared with Fl 5.78 cash and 3 per cent in shares in 1978.

The company plans to continue to expand abroad and expects its investments in the Netherlands, which currently account for half the portfolio, to undergo a relative decline. Little change occurred in the Dutch portfolio last year because of the difficulty in finding good investment property, low yields and high rates of interest. The portfolio rose by Fl 10m to Fl 450m.

The French portfolio rose Fl 50m to about Fl 115m in West Germany, property worth Fl 30m was added to the Fl 40m portfolio last year, while Wereldhave also has a development programme worth a further Fl 30m. It plans to open its own management office in Duesseldorf this year.

The French and German portfolios are approaching their optimum size. There is "room to increase" the Fl 50m Belgian investments.

Extensive growth in the U.S. is foreseen, where Wereldhave's investments total Fl 220m, including Fl 104m invested in a 10 per cent stake in Corporate Property Investors (CPI), which has investments in regional shopping centres.

Wereldhave plans to manage its U.S. property through Westworld Holding, a company in which Westland-Utrecht, the Dutch mortgage bank, has a 10 per cent stake. Other institutional investors will be invited to participate in Westworld.

Sharp earnings gain for Sandvik

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM

SANDVIK, the Swedish cemented carbide and steel group, reports a 26.7 per cent increase in earnings to SKr 603m ($142m) for 1979, just ahead of the forecast made at the eight-month stage.

Group turnover grew by 22.6 per cent to SKr 6.64bn ($1.56bn) with 9 per cent of the increase coming from price rises, 9 per cent from increased volume and 4 per cent from new acquisitions.

The board proposes to raise the dividend by SKr 1.50 to SKr 8 a share and to increase capital by SKr 132.4m to SKr 926.7m by a one-for-six bonus issue. The new shares, which will be eligible for a dividend from 1980, will "bring the capital more into line with the scale of business."

Sandvik anticipates a further climb in sales to SKr 7.5bn this year but cautiously predicts earnings "in the same range" as that for 1979. Price increases are not calculated to cover increased costs in some sectors of the busines, although management hope to meet the difference by higher production volume and better productivity.

As usual, the cemented carbide operation, which accounts for well over half group sales, provided the bulk of last year's pre-tax profit. Earnings on cemented carbide moved from SKr 478m in 1978 to SKr 545m last year.

However, the management also succeeded in turning the SKr 45m loss on steel operations in 1978 into a SKr 26m pre-tax profit.

The conveyor belt business turned in SKr 50m, a fall of SKr 3m, while earnings on saws and tools remained unchanged at SKr 2m.

Profit rise by German engineer

By Kevin Done in Frankfurt

LINDE, the West German mechanical engineering and process plant group, increased pre-tax profits last year by 8.6 per cent to DM 116.2m ($66m).

Total sales, which rose last year by 10.3 per cent to DM 2.01bn ($1.1bn), also show substantial progress in the current year with a further rise of 15.7 per cent in the first two months.

Order books are healthy. New orders last year totalled DM 2.25bn, 10.5 per cent above the previous year and above the year's increase in sales.

By the end of February, the value of the order book stood at DM 2.8bn, 8.2 per cent above the level a year earlier. At the end of 1979 the order book was valued at DM 2.7bn, 9.1 per cent above the position at the end of 1978.

A big new order is expected by Linde's process plant division in the next few days. ICI Australia is close to awarding the West German group the A$400m contract for the construction of an ethylene plant in New South Wales.

The process plant sector accounted for 23 per cent of total group sales last year and 29 per cent of the new orders.

Adda 70% stake sold to Marelli

By Terry Dodsworth in Paris

ALSTHOM Atlantique, the French engineering group, has sold a 70 per cent stake in its Italian subsidiary to another local group, Ercole Marelli, with whom it is linking in a co-operation agreement.

The main reason, Alsthom said yesterday, was to give La Societa Adda, it Italian subsidiary, better access to Government contracts and to overseas outlets controlled by specialised Italian intermediaries.

Marelli, a heavy electrical products company with strong links with Fiat, is interested in acquiring manufacturing technology in high-tension electrical products.

No value has been put on the deal. But Adda, which has a workforce of 400, is linking, in Ercole Marelli, with a much larger company.

Adda has about 30 per cent of the Italian market for outdoor circuit breakers and 90 per cent of the metal-clad substation market. The deal will allow Alsthom to reap some of the profits from Adda's recent swift development while expanding Adda's potential outlets.

Setback for Dutch food group

By Our Amsterdam Correspondent

WESSANEN, the Dutch foodstuffs group, reports a sharp fall in profit in 1979 and a slowdown in the rate of sales growth, but proposes to maintain its dividend. Net profit fell 29 per cent to Fl 12.9m ($6.5m) compared with the 10 per cent increase of the year before.

Turnover rose 6 per cent to Fl 2.62bn ($1.31bn) compared with the 11 per cent rise the year before. Wessanen proposes an unchanged dividend of Fl 4.60 a share, comprising a final cash payment of Fl 3 and an interim payment of Fl 1.60.

The profits setback was due to losses in the cocoa processing sector and to "serious problems" in the milk replacer division. In January, Wessanen said talks were being held with the UK commodity trader and food merchant S. and W. Berisford, with a view to the latter taking a majority stake in Wessanen Cacao. It also announced that its milk activities were being substantially run down.

Having reached a peak of Fl 20 in 1973, Wessanen's earnings each share had eased to Fl 14 by 1978.

Norwegian bank raises dividend

BY FAY GJESTER IN OSLO

INCREASED PROFITS and a higher dividend were announced yesterday by Den Norske Creditbank, Norway's largest commercial bank.

Profits after tax and depreciation are 24 per cent higher for 1979 at NKr 127m ($25.4m), and the dividend is to go up to 12 per cent — the maximum permitted — from 11 per cent.

Speaking at yesterday's Press conference, Mr. Johan Melander, the bank's retiring chairman, took the opportunity of disclosing his views on the use to which Norway's oil revenues should be put.

Once Norway has paid off the State's foreign debt, now about $6.4bn, oil revenues should be channelled abroad he declared. This would help to avoid cost inflation in the domestic economy, which would destroy the competitiveness of Norwegian industry.

As to last year's results, he said that a fall in profits on foreign currency transactions was more than offset by an increase in net interest income which rose from 2.8 per cent to 3.01 per cent of average capital employed. Total assets improved to NKr 17.4bn from NKr 15bn.

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INTERNATIONAL COMPANIES and FINANCE

SOUTH AFRICAN STEEL

Heading for record year

BY BERNARD SIMON IN JOHANNESBURG

SOUTH AFRICA'S seven steel producers are heading for a record year in 1980 in terms of production and profits as a result of a sharp pick-up in domestic demand.

Iscor, the state-owned steelmaker, which accounts for almost threequarters of local sales, is confident that it will show a profit this year for the first time since 1973. The country's only other integrated producer, Highveld Steel (a subsidiary of Anglo American) recently reported a 61 per cent rise in attributable profits for the six months to December. Union Steel's pre-tax earnings leapt by 114 per cent last year, and other private sector producers will probably release sparkling results within the next few weeks.

South Africa is one of the world's top 20 steel producers. Raw steel output is expected to total between 9.3m and 9.4m tons in 1980 well up on the 8.8m tons produced last year. Of the total, Iscor will account for around 7.4m tons, Highveld for 0.8m tons, and smaller producers, such as Dunswart and Usco, for the remainder.

The industry's bright outlook comes with the export market, which saved it from disaster during the fall in local consumption between 1976 and late 1978, losing some of its shine.

Steel export earnings jumped from R67.3m in 1975 to R429.8m (C$532m) in 1978, and R378.3m in the first eight months of 1979, making steel by far South Africa's most valuable industrial export. Iscor currently sells its products in over 50 countries, and recently formed a joint company with Leo Raphaely and Sons, the commodity traders, to penetrate Taiwan, South Korea, and other Far Eastern markets.

However, a number of factors in South Africa and abroad have cut exports in the last few months. Export tonnages and values will be considerably lower this year than in 1979. Highveld, for instance, expects

The industry's bright outlook comes with the export market losing some of its shine. The industry's higher profits forecasts rest on the strengthening of domestic steel consumption in line with the general business recovery

exports to account for less than a third of sales in the calendar year 1980, down from 42 per cent in the financial year to June, 1979.

The seven per cent appreciation of the Rand against the U.S. dollar in the past year has dented South African producers' competitive strength in a market in which most sales are denominated in dollars. Moreover, a shift in Iscor's export product mix has lowered earnings. The weighted average of its export prices rose by R32 a ton in the second half of 1979.

But over the full 12 months to June 1980, prices are expected to be no more than R12 a ton higher than the 1978-79 average. The proportion of relatively low-priced semi-finished products in export shipments has increased markedly in the past few months.

The main cause for the drop in exports, and for the industry's higher profit forecasts, is the strengthening of domestic steel consumption in line with the general business recovery. Local sales this year are expected to be at roughly the same level as at the peak of the last boom, in 1975. Volumes will be about 10-12 per cent up on last year, when the market grew by 13.5 per cent. Iscor forecasts a 17 per cent rise to 3.5m tons in domestic sales of its finished products for its current financial year, which ends in June.

In addition, local prices, which are Government-controlled, are closer to production costs now than they were during the last upswing. In an effort to stimulate secondary industry, the Government kept steel (and other basic raw material) prices artificially low during the 1960s. Not a single steel price increase was authorised in the 18 years from 1952 to 1970.

In the past decade, however, steel prices have shot up 250 per cent, to the point where the domestic market is more lucrative for the producers than exports.

Prices are still not high enough, the producers argue. For a start, raw material costs are rising, and a shortage of skilled workers will contribute to substantial wage demands during the next round of pay negotiations, due to be finalised in July. To help alleviate the skills shortage, the industry has been actively recruiting steel workers in the UK.

The producers are optimistic that a price rise will be approved at mid-year. Guesses are that it will be between 10 per cent and 12 per cent, or roughly the same as the mid-1979 increase.

The industry argues that it needs higher prices to fund capital expansions. This applies to Iscor in particular, which often complains that as the "national" steelmaker, it is obliged to produce items which the private companies could not make at a profit.

Despite the upturn in demand, Iscor has no major expansion plans, mainly because of the difficulty of funding large capital projects without resorting to large external borrowings, in which it is already heavily involved. Highveld, by contrast, has a R37m investment programme, which will boost its capacity from 750,000 tons to 900,000 tons by *the end of next year.*

Nonetheless, Iscor hopes to raise production by about 15 per cent in the next five years by improvements to existing plant. For instance, the briquetting of coal will result in higher coke quality.

The corporation is also trying to reduce its dependence on private sector collieries, which at present supply about three-quarters of its coal needs. Iscor's own Grootegeluk mine, in the north-west Transvaal, comes on stream later this year, and it has discovered three sizeable coking coal deposits near the northern Transvaal town of Pietersburg. No decision has yet been taken on whether to exploit these reserves.

The improvements and expansions now underway should enable South Africa's steel industry to supply domestic needs during the upswing, expected to last until late 1981, and to continue exporting, albeit at a reduced rate.

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1. On February 27, 1980 the Board of Directors of the Company resolved to make a free distribution of shares of its Common Stock to shareholders of record as of March 31, 1980 in Japan (March 30 in New York City, London and Luxembourg), at the rate of 1 new share for each 10 shares held.

2. Accordingly, the conversion prices of the above-mentioned Debentures will be adjusted effective immediately after such record date. The conversion prices in effect before such adjustment are Yen 467.60 for the 6¾% Convertible Debentures Due 1991 and Yen 604 for the 6½% Convertible Debentures Due 1994, and the adjusted conversion prices will be Yen 425.10 for the 6¾% Convertible Debentures Due 1991 and Yen 549.10 for the 6½% Convertible Debentures Due 1994.

MITSUBISHI CORPORATION
March 13, 1980

UOB to make scrip and rights issues

By Georgie Lee in Singapore

THE Overseas Union Bank (OUB)—one of the big four Singapore banks — has announced a scrip issue of one share for every five shares held, and a one-for-five rights isue at S$2 per share to raise S$41m (US$18.6m).

The announcement follows the bank's disclosure of a 29 per cent improvement in profit for the year ended December 1979. Group post tax profit was *S$21.3m (US$9.7m) compared* with S$16.5m previously. At the parent bank itself, post tax profit rose by 30 per cent to S$19.6m.

OUB has declared a first and final gross dividend of 12 per cent.

OUB is the second Singapore bank to announce scrip and rights issues this year. The first to do so was the Development Bank of Singapore. Market sources believe that the local equity market will see a spate of similar issues by banking institutions. OUB also made such an issue last year.

The issues will raise the bank's existing isued capital of 102.66m shares of S$1 each to 143.7m.

The bank's finance subsidiary, Overseas Union Trust, reported *a modest improvement of 5 per* cent in post tax profit to S$2.11m. Overseas Union Trust has also declared a first and final gross dividend of 12 per cent.

OUB's associate, Overseas Union Securities—a closed end investment trust managed by the bank—recorded an impressive performance. Post tax profit was S$1m against a loss of S$89,998 previously. Net tangible assets rose by 26.6 per cent to S$31m or from S$0.98 per share at the end of 1978 to S$1.24 per share at the end of last year.

AUSTRALIAN NEWS

Merging brewers show good results

BY JAMES FORTH IN SYDNEY

CASTLEMAINE PERKINS and Tooheys, the major brewers, which are in the process of merging, both achieved solid profit increases in the January half-year. The Queensland group, Castlemaine almost doubled earnings, from A$4.04m to A$ 7.6m (US$ 8.3m) while the New South Wales group, Tooheys boosted its profit by 17 per cent, from A$ 6.4m to A$8.1m (US$ 8.9m).

Last year's Castlemaine result was affected by industrial trouble which closed the brewery for 12 weeks. The strike boosted the results of Tooheys for the same half-year.

Castlemaine's revenue jumped 77 per cent to A$ 122m (U.S.$133m) reflecting the strike, while Tooheys' rose 13 per cent to A$200m (US$ 219m).

Castlemaine and Tooheys announced plans to merge last October, through an offer of Castlemaine shares. The Castlemaine directors said yesterday that acceptances to the offer totalled 91 per cent and that it was intended compulsorily to acquire the remainder.

Castlemaine has boosted its interim dividend from 7 cents a share to 10 cents on capital increased by last year's one-for-five scrip issue. The dividend will be paid on shares issued to former Tooheys' shareholders.

* * *

BLUE CIRCLE SOUTHERN CEMENT (BCSC), Australia's largest cement manufacturer, came through a year of consolidation with a virtually unchanged profit of A$8.9m (US$9.7m) for the year to December. Heavy interest charges and depreciation associated with the group's new A$75m plant at Berrima, New South Wales, cut into earnings. BCSC equally led the 1978 earnings because of tax concessions through investment allowances flowing from the new plant.

The directors said that they were satisfied with the result in the light of the expansion and the borrowings to fund it. The dividend has been edged up from 6 cents to 6.5 cents, but the earnings a share dipped from 14.2 cents to 13.7 cents. The directors are optimistic about the NSW building market for the remainder of the year. BCSC had drawn down A$51.75m in loans at December 31 to fund the expansion.

The profit was after interest charges more than doubled, from A$2.36m to *A$5.77m, and* a further A$794,000 in interest was capitalised. The company would continue to benefit from investment allowances in 1980, the directors said. BCSC is owned 40 per cent each by Associated Portland Cement Manufacturers, of the UK and Broken Hill Proprietary Company, and 20 per cent by the public.

* * *

HUMES, the pipe manufacturer lifted its profit by 30 per cent, from A$4.4m to A$5.7m (U.S. $6.2m) in the December half-year, and the directors expect a further improvement for the full year. The interim dividend has been held at 3 per cent, and is covered by earnings a share of 7.6 cents. Last year Humes paid a final of 4.5 cents.

The directors said that they were particularly pleased with results from the Asian operations, and the Australian contribution. Profit of Hume Industries (Far East) improved and was expected to continue to increase in the current six months. Profit of Hume Industries (NZ) fell marginally and a similar decline appeared likely for the full year. Earnings fell substantially in the UK and were likely to be well down in the full term.

The directors said that prospects overall for the next *six months* were regarded as good, and results for the full year should show a satisfactory increase over those of 1978-79. But they warned that it may not be possible to maintain the rate of gain because trading in the second half of the previous financial year was at a high level. Sales for the period rose 25 per cent from A$116m to A$145m.

Earnings advance for Tiger Oats

BY QUENTIN PEEL IN JOHANNESBURG

TIGER OATS, one of the big two, with Premier Milling, in South Africa's food and foodstuffs market, has reported a 15 per cent increase in profits for 1979 to R29.25m ($36.2m) from R25.41m. Group turnover came to R913m ($113bn), up by 17.5 per cent over the R777m of 1978. The Board has declared a final dividend of 38 cents, making 66 cents for the year, compared with 58 cents

Consumer spending is now accelerating steadily, and with prospects for further tax relief in the budget, Tiger Oats expects to benefit. However, spending in lower income groups is still sluggish as the benefits of the gold-led economic revival have yet to percolate through the economy.

The directors say trading conditions are "satisfactory" and are expected to remain so throughout the present half-year.

Tiger Oats was trading yesterday at 1,450 cents, giving a dividend yield of 4.55 per cent, in line with the sector average, although slightly below the overall industrial average on the Johannesburg Stock Exchange.

Local funding for UE Malaysia

BY WONG SULONG IN KUALA LUMPUR

UNITED ENGINEERS, Malaysia, the building and equipment group, is proposing to raise 35m ringgit ($15.9m) through a rights issue and a special issue to Bumiputras (Malays)

The company is proposing to make a rights issue of 26.25m ordinary shares at par on the basis of seven new shares for every four existing shares of 1 ringgit each as well as a special issue of 8.75m new shares at 1 ringgit each for Malay financial institutions.

The company points out that in the past, it had relied heavily on United Engineers (Singapore), which holds 49 per cent of U. E. Malaysia, for financial support. In addition, U. E. Malaysia raised a long term bank loan of 10m ringgit at the end of 1978.

The *additional* capital is to be used to reduce loans, the interest payments of which amounts to 3m ringgit a year

United Engineers (Singapore) will take up its full entitlement of 12.86m shares and will apply for another 2.28m excess shares, which would make its holding 45 per cent of the new share capital.

U. E. Malaysia, which recently underwent a *major* management reorganisation, said it expected to make at least 5m ringgit for 1979, compared with 750,000 ringgit in 1978. It intends to pay a 10 per cent dividend for 1980.

* * *

KECK SENG, the Malaysian plantation group, operating from Johore State, has again reported record earnings, with pre-tax profit for the year ending December rising by 68 per cent to 13.6m ringgits ($6.17m). It is paying a final *dividend of 10 per cent,* making 20 per cent for the year, compared with 15 per cent in 1978.

OCBC takes stake in Raffles City

BY OUR SINGAPORE CORRESPONDENT

THE Oversea Chinese Banking Corporation (OCBC) group has taken an equity participation in Singapore's largest single property development project, the proposed S$900m (U.S.$431m) Raffles City.

OCBC and its subsidiary and associate companies have agreed to subscribe to 43m shares, or 17.55 per cent, of the proposed S$245m issued capital of the development company Raffles City Private Ltd.

Raffles Holdings (Private), which is a joint venture between the Singapore Government's wholly-owned Temasek *Holdings, and the promoter of* the project, the Development Bank of Singapore (DBS), is the major shareholder with 60 per cent of the issued capital.

The development, which has been dubbed "a city-within-a-city" by its promoters, involves the construction of a 68-storey hotel and a 31-storey twin core hotel, with a combined capacity of 2,200 rooms; a 42-storey office block; and a seven-storey podium. The project is expected to be completed in phases from 1983 to 1985.

OCBC itself will hold 6.12 per cent of Raffles City while its associates — the Great Eastern Life Assurance Company; the Straits Trading Company; the Overseas Assurance Corporation; Raffles Hotel; Robinson and Co.; Fraser and Neave and Malayan Breweries—collectively hold 11.43 per cent.

Lee Rubber Company, which is a major shareholder of OCBC has also taken an 8.16 per cent stake. Other significant shareholders are Singapore Airlines, with 5 per cent, and Western International Hotels with 5 per cent.

NOTICE OF REDEMPTION

To the Holders of

Petroleos Mexicanos

10¼% Bonds due April 15, 1982

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of April 15, 1975 under which the above-described Bonds were issued, $6,000,000 principal amount of said Bonds have been selected for redemption on April 15, 1980, through operation of the Sinking Fund, at the principal amount thereof, together with accrued interest to the date fixed for redemption, as follows:

Outstanding Bonds of $1,000 Each of Prefix "M" Bearing Numbers Ending in Any of the Following Two Digits:

02	10	16	22	28	23	41	49	52	62	64	70	76	81	89
07	23	18	24	26	25	46	51	54	63	67	72	78	82	91

Also the Two Bonds of $1,000 Each Bearing the Following Numbers:
M2 M7

On April 15, 1980, the Bonds designated above will become due and payable in such coin or currency of the United States of America as at the time of payment shall be legal tender for the payment of public and private debts. Said Bonds will be paid, upon presentation and surrender thereof with all coupons appertaining thereto maturing after the redemption date, at the option of the holder either (a) at the corporate trust office of **Morgan Guaranty Trust Company of New York, 15th Floor, 30 West Broadway, New York, New York 10015,** or (b) at the main office of Morgan Guaranty Trust Company of New York in Brussels, Frankfurt Main, London and Paris, of Bank Mees & Hope N.V. in Amsterdam, of Banca Morgan Vonwiller S.p.A. in Milan, of Kredietbank S.A. Luxembourgeoise in Luxembourg and of Swiss Bank Corporation in Zurich. Coupons due April 15, 1980 should be detached and collected in the usual manner. Payment at the offices referred to in (b) above will be made by check drawn on, or transfer to a dollar account maintained by the payee with, a bank in The City of New York.

On and after April 15, 1980, interest shall cease to accrue on the Bonds herein designated for redemption.

PETROLEOS MEXICANOS
By: MORGAN GUARANTY TRUST COMPANY OF NEW YORK, *Trustee*

Dated: March 13, 1980

NOTICE TO HOLDERS OF

MITSUBISHI CORPORATION
(Mitsubishi Shoji Kabushiki Kaisha)

7½% CONVERTIBLE BONDS DUE 1990

6% CONVERTIBLE BONDS DUE 1992

Pursuant to the Trust Deeds dated as of May 13, 1975 and July 15, 1977, respectively, under which the above-mentioned Bonds were issued, notice is hereby given as follows:

1. On February 27, 1980 the Board of Directors of the Company resolved to make a free distribution of shares of its Common Stock to shareholders of record as of March 31, 1980 in Japan (March 30 in Kuwait and Luxembourg), at the rate of 1 new share for each 10 shares held.

2. Accordingly, the conversion prices of the above-mentioned Bonds will be adjusted effective immediately after such record date. The conversion prices in effect before such adjustment are Yen 387.60 for the 7½% Convertible Bonds Due 1990 and Yen 519 for the 6% Convertible Bonds Due 1992, and the adjusted conversion prices will be Yen 352.40 for the 7½% Convertible Bonds Due 1990 and Yen 471.80 for the 6% Convertible Bonds Due 1992.

MITSUBISHI CORPORATION
March 13, 1980

NOTICE OF RATE OF INTEREST

U.S.$30,000,000

SUMITOMO HEAVY INDUSTRIES, LTD.
(Incorporated with limited liability in Japan)

Guaranteed Floating Rate Notes Due 1984

Unconditionally guaranteed as to payment of principal and interest by

THE SUMITOMO BANK, LIMITED
(Incorporated with limited liability in Japan)

In accordance with the provisions of the Notes and Agent Bank Agreement between Sumitomo Heavy Industries, Ltd., The Sumitomo Bank, Limited and Citibank, N.A., dated 5th September, 1979, notice is hereby given that the Rate of Interest for the Interest Period has been fixed at 19 3/16% p.a. and that the interest payable on the relevant Interest Payment Date, 13th June, 1980 against Coupon No 3 in respect of U.S.$25,000 nominal amount of the Notes will be U.S.$1,225.87 and has been computed on the actual number of days elapsed (92) divided by 360.

13th March, 1980

By: Citibank, N.A., London
Agent Bank

CITIBANK

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CREDITANSTALT-BANKVEREIN

Issue of up to
U.S. $80,000,000
Floating Rate Notes 1991
Extendible at the Noteholder's option to 1997

Notice is hereby given
pursuant to the Terms and Conditions of the Notes that
for the three months from
14th March, 1980 to 16th June, 1980
the Notes will carry an interest rate of 18⅞% per annum.
On 16th June, 1980 interest of U.S.$48.14 will be
due per U.S.$1,000 Note and U.S.$481.42 due
per U.S.$10,000 Note for Coupon No. 4.

European Banking Company Limited
(Agent Bank)

13th March, 1980

This advertisement complies with the requirements of the Council of The Stock Exchange.

Export Development Corporation
(An agent of Her Majesty in right of Canada)

Société pour l'expansion des exportations
(Mandataire de Sa Majesté du chef du Canada)

U.S. $250,000,000
14% Notes Due March 15, 1985

A syndicate managed by the following has agreed to subscribe or procure subscribers for the Notes:

Salomon Brothers
Wood Gundy Incorporated
Merrill Lynch White Weld Capital Markets Group
Merrill Lynch Pierce, Fenner and Smith Incorporated
Dominion Securities Inc.

The Notes, issued at 100 per cent, have been admitted to the Official List by the Council of The Stock Exchange subject only to the issue of the Notes.

Interest is payable semi-annually on March 15 and September 15, the first payment being made on September 15, 1980.

Full particulars of the Notes are available in the Extel Statistical Service and may be obtained during usual business hours up to and including March 27, 1980 from the brokers to the issue:—

R. Nivison & Co.
25 Austin Friars
London EC2N 2JB

March 13, 1980

SOCIETE FINANCIERE POUR
LES TELECOMMUNICATIONS
ET L'ELECTRONIQUE S.A.

US$50,000,000 Floating Rate Notes 1980-1986

Irrevocably and unconditionally guaranteed by
STET—Società Finanziaria Telefonica per Azioni

In accordance with the conditions of the Notes notice is hereby given that for the six month period 13th March 1980 to 15th September 1980 (186 days) the Notes will carry an interest rate of 16 1/16% p.a.

Relevant interest payments will be as follows:

Notes of $1,000 US$97.20

CREDIT LYONNAIS (London Branch)
Agent Bank

Weekly net asset value
on March 10 1980
Tokyo Pacific Holdings N.V.
U.S. $69.79
Tokyo Pacific Holdings (Seaboard) N.V.
U.S. $50.84
Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson HV Herengracht 214, Amsterdam

THE SUMITOMO BANK, LIMITED

Negotiable Floating Rate U.S. Dollar Certificates of Deposit
Maturity date 13th September 1982

In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the six month interest period from 13th March 1980 to 15th September 1980 the Certificates will carry an Interest Rate of 18 11/16% per annum.

Agent Bank
Hill Samuel & Co. Limited,
London

هكذا من الأصل

Companies and Markets

CURRENCIES, MONEY and GOLD

Sterling firm

Sterling rose against most currencies yesterday, reflecting in part a weaker trend in the U.S. dollar. Trading was not very active for most of the day apart from the occasional flurry, and on Bank of England figures, the pound's trade weighted index rose to 72.5 from 72.2, having stood at 72.4 at noon and 72.3 in the morning. Against the dollar it opened at $2.2325 and dipped briefly to $2.2310, its low point for the day. It soon recovered however to $2.2410, but was back at $2.2350 by noon. During the afternoon it touched a best level of $2.2415, but fell in later trading on dollar demand to close at $2.2340-2.2350, a rise of 75 points from Tuesday's close.

The dollar finished around its best level of the day overall, but still showed a slight easing from Tuesday. Demand for the U.S. unit was not so strong yesterday, with Euro-dollar rates showing a weaker tendency. However, this softer trend was mainly a technical adjustment. The dollar's fall meant that central banks were able, by and large, to remain on the side lines, and there was no significant intervention during the day.

Against the D-mark it finished at DM 1.8070, down from Tuesday's level of DM 1.8120. Similarly against the Swiss franc it eased to SwFr 1.7290 from SwFr 1.7350. In terms of the Japanese yen the dollar showed a slight improvement to Y247.40 from Y247.10. On Bank of England figures, the dollar's trade weighted index was unchanged at 87.4.

D-MARK—Steady within the European Monetary System, but weaker against dollar following sharp upward movement in U.S. interest rates — Most currencies lost ground against the D-mark in Frankfurt yesterday. The dollar was fixed lower at DM 1.8017 compared with DM 1.8088 on Tuesday, and there was no intervention by the Bundesbank. Earlier in the day the U.S. unit had fallen to DM 1.7980 on profit taking, but soon came back on short covering. Elsewhere, sterling was fixed higher at DM 4.0280 against DM 4.0150 while the French franc eased to DM 42.70 per FFr 100 from DM 42.725. The Swiss franc continued to lose ground and was quoted at DM 1.0440 against DM 1.0459½.

FRENCH FRANC — Remaining firm and one of the strongest currencies within the EMS—The franc showed mixed changes at yesterday's Paris fixing, losing ground to the pound and the D-mark, but improving against the U.S. dollar and the Swiss franc. Domestic interest rates remained high yesterday, with further increases in commercial bank rates announced. Within the EMS the franc remained the most improved currency.

BELGIAN FRANC—Generally weakest member of EMS, but resists devaluation—The franc improved against most major currencies yesterday, with sterling being the one notable exception. At the Brussels fixing, the pound rose to BFr 65.55 from BFr 65.3325, while the dollar eased to BFr 29.32 from BFr 29.3925.

JAPANESE YEN—Energy problems reflected in sharp decline last year, which after a slight pause has been renewed, resulting in a support package and heavy central bank intervention—The market was somewhat confused as speculation increased over further anti-inflation measures either in the U.S. or Japan. The U.S. dollar closed at Y247.15 in Tokyo yesterday, down from Tuesday's level of Y247.975. There was no intervention by the Bank of Japan and in the light of current uncertainties, the dollar may remain steady for the next few days, although its undertone remains firm on high interest rates.

THE POUND SPOT AND FORWARD

March 12	Day's spread	Close	One month	% p.a.	Three months	% p.a.
U.S.	2.2310-2.2415	2.2340-2.2350	0.22-0.12c pm	0.91	0.07pm-0.03ds	0.03
Canada	2.5975-2.6085	2.6030-2.6040	1.10-1.00c pm	4.84	2.80-2.65 pm	4.19
Nethlnd.	4.41½-4.45½	4.43¾-4.44¾	3-2c pm	6.75	7¾-6¾ pm	6.08
Belgium	65.30-65.70	65.55-65.65	12-2c pm	1.28	30-20 pm	1.52
Denmark	12.55½-12.62½	12.60½-12.61½	1½-3½ore dis	−2.50	6½-8½ dis	−2.38
Ireland	1.0885-1.0970	1.0858-1.0968	0.03p pm-0.01 dis	0.11	0.04pm-0.01ds	0.05
W. Ger.	4.01½-4.05½	4.03½-4.04½	3⅜-2⅞pf pm	10.02	9¾-8¾ pm	8.79
Portugal	109.00-109.80	109.10-109.30	par-20c dis	−1.10	20-80 dis	−2.01
Spain	150.65-151.30	150.70-150.80	40-90c dis	−5.17	170-350 dis	−6.90
Italy	1,874½-1,881	1,876½-1,877½	1½-3½ lire dis	−1.60	11¾-13¾ dis	−2.72
Norway	11.12½-11.18½	11.16¾-11.17¾	4½-3ore pm	4.03	12¾-10⅞ pm	4.16
France	9.41-9.46½	9.44¾-9.45¾	3¼-2¼c pm	4.13	9-8 pm	3.60
Sweden	9.53-9.59	9.56½-9.57½	4½-3½ore pm	5.17	17½-16½ pm	7.10
Japan	547-555	552½-553½	2.40-2.00y pm	4.77	6.05-5.60 pm	4.21
Austria	28.77-28.95	28.80-28.85	22-19gro pm	8.53	65-60 pm	8.74
Switz.	3.83½-3.88	3.86-3.87	4¾-3¾c pm	12.81	11½-10½ pm	11.25

Belgian rate is for convertible francs. Financial franc 67.65-67.75. Six-month forward dollar 0.07c pm-0.03 dis, 12-month 0.50-0.40c pm.

THE DOLLAR SPOT AND FORWARD

March 12	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	2.2310-2.2415	2.2340-2.2350	0.22-0.12c pm	0.91	0.07pm-0.03ds	0.03
Ireland†	2.0390-2.0495	2.0390-2.0410	0.25-0.15c pm	1.18	0.15-0.05 pm	0.20
Canada	1.1656-1.1673	1.1669-1.1672	0.50-0.45c pm	4.89	1.25-1.15 pm	4.12
Nethlnd.	1.9810-1.9865	1.9840-1.9850	0.49-0.43c pm	2.78	3.10-3.00 pm	6.15
Belgium	29.25-29.37	29.35-29.37	2½-1c pm	0.71	12-10 pm	1.50
Denmark	5.6240-5.6400	5.6345-5.6360	1.50-2.00ore dis	−3.73	3.25-3.75dis	−2.48
W. Ger.	1.7970-1.8090	1.8065-1.8075	1.37-1.27pf pm	8.76	4.05-3.95 pm	8.85
Portugal	48.80-48.97	48.87-48.97	5-15c dis	−2.45	10-40 dis	−2.04
Spain	67.53-67.65	67.60-67.65	35-55c dis	−7.98	85-110 dis	−5.77
Italy	838.95-840.00	839.65-839.95	0.9-1.65 ire dis	−1.82	4.25-5.25dis	−2.26
Norway	4.9820-4.9960	4.9905-4.9915	2.00-1.50ore pm	4.21	6.05-5.55 pm	4.65
France	4.2165-4.2275	4.2256-4.2275	1.15-1.05c pm	3.12	3.75-3.60 pm	3.47
Sweden	4.2700-4.2825	4.2805-4.2815	1.60-1.40ore pm	4.20	7.60-7.40 pm	7.01
Japan	246.40-247.55	247.35-247.45	0.90-0.75y pm	4.00	2.70-2.55 pm	4.24
Austria	12.887-12.930	12.925-12.930	8.50-7.90gro pm	7.62	29.00-27.00pm	8.68
Switz.	1.7175-1.7300	1.7285-1.7295	1.73-1.65c pm	11.73	4.90-4.82 pm	11.24

† UK and Ireland are quoted in U.S. currency. Forward premiums and discounts apply to the U.S. dollar and not to the individual currency.

CURRENCY RATES

Mar. 11	Bank rate %	Special Drawing Rights	European Currency Unit
Sterling	17	0.580951	0.622466
U.S. $	13	1.28913	1.38312
Canadian $	14	1.50106	1.61355
Austria Sch.	5¼	16.6917	17.8976
Belgian F.	12	37.8908	40.6222
Danish K.	13	7.28552	7.80979
D'Mark	7	2.33178	2.50137
Guilder	9½	2.55086	2.74729
French Fr.	9½	5.45560	5.85336
Lira	15	Unavail	1163.20
Yen	7¼	319.575	341.425
Norwgn. Kr.	9	6.45467	6.93220
Spanish Pts.	8	87.2625	93.5581
Swedish Kr.	10	5.52831	5.92459
Swiss Fr.	3	2.23058	2.39349

CURRENCY MOVEMENTS

Mar. 11	Bank of England Index	Morgan Guaranty changes %
Sterling	72.5	−33.4
U.S. dollar	87.4	− 6.3
Canadian dollar	81.8	−15.6
Austrian schilling	156.2	+24.4
Belgian franc	114.3	+13.0
Danish kroner	107.4	−3.9
Deutsche mark	155.9	+45.2
Swiss franc	192.3	+74.1
Guilder	125.7	+20.1
French franc	101.0	−6.1
Lira	54.4	−50.0
Yen	115.6	+14.5

Based on trade weighted changes from Washington agreement December, 1971 (Bank of England Index=100).

OTHER CURRENCIES

Mar. 12	£	$		£ Note Rates
Argentina Peso	3837-3857	1717-1724	Austria	28.70-28.95
Australia Dollar	2.0390-2.0430	0.9130-0.9135	Belgium	67.50-68.00
Brazil Cruzeiro	105.89-104.89	46.50-46.80	Denmark	12.54-12.61
Finland Markka	8.51-8.52	3.8125-3.8145	France	9.37-9.43
Greek Drachma	87.852-89.931	39.40-39.55	Germany	4.02¼-4.04¾
Hong Kong Dollar	11.11-11.13	4.9770-4.9800	Italy	1855-1900
Iran Rial	n/a	n/a	Japan	552-556
Kuwait Dinar(KD)	0.610-0.620	0.2749-0.2750	Netherlands	4.42¼-4.44¾
Luxembourg Frc.	65.55-65.65	29.35-29.37	Norway	11.12-11.19
Malaysia Dollar	4.9120-4.9220	2.2010-2.2030	Portugal	106½-112
New Zealand Dlr.	2.3185-2.3235	1.0375-1.0390	Spain	147¼-154½
Saudi Arab. Riyal	7.40-7.50	3.3380-3.3430	Sweden	9.53-9.59
Singapore Dollar	4.8850-4.8950	2.1890-2.1910	Switzerland	3.84½-3.86½
Sth. African Rand	1.8045-1.8065	0.8075-0.8080	United States	2.23¼-2.24¼
U.A.E. Dirham	8.29-8.39	3.7405-3.7455	Yugoslavia	50-52

Rate given for Argentina is free rate.

EMS EUROPEAN CURRENCY UNIT RATES

	ECU central rates	Currency amounts against ECU March 12	% change from central rate	% change adjusted for divergence	Divergence limit %
Belgian Franc	39.7897	40.6490	+2.16	+1.52	±1.53
Danish Krone	7.72336	7.81482	+1.18	+0.54	±1.64
German D-Mark	2.48208	2.50110	+0.77	+0.13	±1.125
French Franc	5.84700	5.85903	+0.21	−0.43	±1.3557
Dutch Guilder	2.74362	2.75239	+0.32	−0.32	±1.512
Irish Punt	0.668201	0.678288	+1.51	+0.87	±1.668
Italian Lira	1157.79	1165.22	+0.64	+0.51	±4.08

Changes are for ECU, therefore positive change denotes a weak currency. Adjustment calculated by Financial Times.

EURO-CURRENCY INTEREST RATES

The following nominal rates were quoted for London dollar certificates of deposit: one-month 17.55-17.65 per cent; three-months 18.10-18.20 per cent; six months 18.05-18.15 per cent; one year 16.80-16.90 per cent.

Mar. 12	Sterling	U.S.Dollar	Canadian Dollar	Dutch Guilder	Swiss Franc	West German Mark	French Franc	Italian Lira	Asian $	Japanese Yen
Short term	16¾-17	15⅞-16⅛	8½-9½	10⅛-10⅜	5¼-5½	8-8⅛	12⅞-13⅛	13-15	—	9¼-9¾
7 days' notice	17⅛-17⅜	16⅛-16⅜	8½-9½	10½-10¾	4⅝-4⅞	8 1/16-8 3/16	13-13¼	15-17	16-16¼	11½-12
Month	17⅝-17⅞	16¾-17	13-13⅜	10⅞-11⅛	5 5/16-5 7/16	8 5/16-8 7/16	13¼-13½	18-19	16⅞-17	12⅞-13⅛
Three months	18-18¼	18 1/16-18 5/16	14⅛-14⅜	11⅞-12⅛	6¾-6⅞	9¼-9 5/16	14¼-14½	20-20¾	18⅛-18¼	13¾-14
Six months	17⅞-18⅛	18 1/16-18 5/16	14⅞-15⅛	12⅜-12⅝	6⅞-7	9 1/16-9 3/16	15 1/16-15 5/16	20½-21½	18¼-18⅜	13 11/16-13 13/16
One year	17-17¼	16¾-17	14⅞-15⅛	12⅝-12⅞	6 11/16-6 13/16	9 1/16-9 3/16	15 1/16-15 5/16	21-22	17¼-17⅜	12⅝-12¾

Long-term Eurodollar two years 15⅞-16⅛ per cent; three years 15⅜-15⅝ per cent; four years 14⅞-15⅛ per cent; five years 14⅝-14⅞ per cent; nominal closing rates. Short-term rates are call for sterling, Canadian dollars and Japanese yen; others two days' notice. Asian rates are closing rates in Singapore.

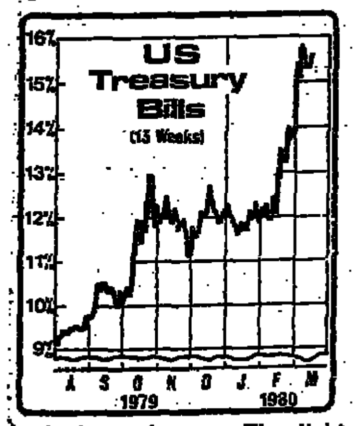
EXCHANGE CROSS RATES

Mar. 12	Pound Sterling	U.S. Dollar	Deutschem'k	Japan'se Yen	French Franc	Swiss Franc	Dutch Guild'r	Italian Lira	Canada Dollar	Belgian Franc
Pound Sterling	1.	2.235	4.040	553.0	9.448	3.865	4.443	1877.	2.604	65.60
U.S. Dollar	0.448	1.	1.808	247.5	4.228	1.730	1.988	840.0	1.165	29.36
Deutschemark	0.248	0.553	1.	136.9	2.338	0.957	1.100	464.6	0.644	16.24
Japanese Yen 1,000	1.808	4.041	7.306	1000.	17.08	6.989	8.033	3394.	4.708	118.6
French Franc 10	1.058	2.365	4.276	585.3	10.	4.091	4.702	1987.	2.756	69.44
Swiss Franc	0.259	0.578	1.045	143.1	2.444	1.	1.149	485.6	0.674	16.97
Dutch Guilder	0.225	0.503	0.909	124.5	2.127	0.870	1.	422.5	0.586	14.77
Italian Lira, 1,000	0.533	1.190	2.152	294.6	5.033	2.059	2.367	1000.	1.387	34.95
Canadian Dollar	0.384	0.858	1.552	212.4	3.629	1.485	1.706	721.0	1.	25.20
Belgian Franc 100	1.524	3.406	6.159	843.0	14.40	5.892	6.772	2861.	3.969	100.

INTERNATIONAL MONEY MARKET

Dutch rates steady

High interest rates and low inflation in the Netherlands has increased the attraction of the guilder to foreign investors, pushing the Dutch currency to the top of the European Monetary System in recent weeks. Although now overtaken by the French franc once again, the guilder is marginally firmer against the D-mark than at the beginning of the year. The slight easing of the guilder over the past few days has partly reflected sales of the Dutch currency by the Belgian National Bank to support the weak franc within the EMS. Under these conditions there is no pressure on interest rates in the Amsterdam money market, with liquidity ample. Call money was unchanged at 10¼-10½ per cent yesterday, and period rates showed small mixed changes around a level of 11 per cent to 12½ per cent, compared with the latest inflation rate of 6 per cent.



In Brussels the Belgian central bank left its discount rate at 12 per cent, despite the weakness of the franc which prompted Tuesday's increase in short-term Treasury certificate interest rates. Deposit rates in the money market showed little change yesterday.

In Paris term rates were also steady, while call money remained at its highest level for over five years of 13½ per cent. This, coupled with the upward trend in French commercial bank base rates has returned the French franc to the leading position in the EMS.

GOLD

Firmer trend

GOLD ROSE $19 an ounce in the London bullion market yesterday to close at $585-$590. Trading was fairly busy for most of the day, with demand returning for the metal at the lower levels seen recently. The metal opened at $570-$575 and rose to $582.5 at the morning fix and further still in the afternoon to be fixed at $585.70. Most of the day's trading took place within $582-$586, with a high for the day of $596-$591.

In Paris the 12½ kilo bar was fixed at FFr 78,400 per kilo ($577.29 per ounce) compared with FFr 79,500 ($586.63) in the morning and FFr 79,000 ($580.6) on Tuesday afternoon.

In Frankfurt the 12½ kilo bar was fixed at DM33,720 per kilo ($582.46 per ounce) against DM 32,965 ($569) previously.

	Mar. 12		Mar. 11	
Gold Bullion (fine ounce)				
Close	$585-590	(£261¾-264¼)	$566-571	(£254-256½)
Opening	$570-575	(£255½-257¾)	$578-583	(£260½-263)
Morning fixing	$582.50	(£260.161)	$569	(£256.272)
Afternoon fixing	$585.70	(£261.765)	$570.25	(£255.740)
Gold Coins				
Krugerrand	$591-595	(£264-266)	$569-573	(£255½-257½)
Mapleleaf	$587-597	(£262½-267½)	$565-575	(£253½-258½)
New Sovereigns	$149½-151	(£66¾-67¾)	$144-146	(£64¾-65¾)
King Sovs	$172-174	(£77-79)	$166-169	(£74-76)
Victoria Sovs	$172-174	(£77-79)	$166-169	(£74-76)
French 20s	$145-148		$144-147	
50 pesos Mexico	$720-730		$690-700	
100 Cor. Austria	$564-574		$550-560	
$20 Eagles	$735-740		$723-728	
$10 Eagles	—		—	
$5 Eagles	—		—	

UK MONEY MARKET

Further shortage

Bank of England Minimum Lending Rate 17 per cent (since November 15, 1979)

Day-to-day credit remained in slightly short supply in the London money market yesterday, and the authorities gave small assistance by buying a small amount of Treasury bills from the discount houses, and by lending a small amount overnight at Minimum Lending Rate to one or two houses.

Banks brought forward small run down balances, repayment was made of the money lent to the market on Tuesday, there was a small net take up of Treasury bills to finance, and the houses repurchased a moderate number of Treasury bills and eligible bank bills under an earlier agreement with the authorities. On the other hand Government disbursements exceeded revenue payments to the Exchequer, and the market was also helped by a small decrease in the note circulation.

Discount houses paid around 16¾ per cent for secured call loans at the start, with closing balances taken at 16-16½ per cent.

In the interbank market overnight loans opened at 16¾-17 per cent and eased to 16-16½ per cent, before closing at 16½-17 per cent.

Rates in the table below are nominal in some cases.

MONEY RATES

NEW YORK

Prime Rate	17¾-18
Fed. Funds	15-15½
Treasury Bills (13-week)	15.80
Treasury Bills (26-week)	15.14

GERMANY

Discount Rate	7
Overnight Rate	8.80
One month	9.30
Three months	9.70
Six months	10.0

FRANCE

Discount Rate	9.5
Overnight Rate	13.5
One month	13.5625
Three months	14.0625
Six months	14.125

JAPAN

Discount Rate	7.25
Call (Unconditional)	9.625
Bills Discount (three-month)	13.5

LONDON MONEY RATES

Mar. 12 1980	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth. negotiable bonds	Finance House Deposits	Company Deposits	Discount market deposits	Treasury Bills ⊕	Eligible Bank Bills ⊕	Fine Trade Bills ⊕
Overnight	—	16-17	—	—	—	17	16-17	—	—	—
2 days notice	—	—	17⅝-17⅞	—	—	—	—	—	—	—
7 days or	—	—	—	—	—	—	—	—	—	—
7 days notice	—	16⅞-17⅛	17⅝-18	—	18⅛	17¼-17¾	16⅝-16¾	—	—	—
One month	17 3/16-17⅜	17 3/16-17⅞	17⅞-18	18¼-18⅞	18⅛	18¼	16¾	15 23/32-15 21/32	17 5/16	18⅜
Two months	17⅞-17⅝	17 5/16-17 9/16	—	18⅞-18⅝	18¼	—	16⅝-16¾	16½	17	18⅛
Three months	17 3/16-17⅜	17¾-18	17⅞-18⅛	18⅝-18⅜	18⅜	18⅝-18¾	16½-16⅝	16⅛	17	17⅞
Six months	17-16⅞	16⅞-17⅛	17¼-17½	17⅜-16⅞	17½	17⅞	—	—	16	16
Nine months	16⅝-16⅞	16 5/16-16⅞	—	17⅛-16⅝	17⅛	—	—	—	—	—
One Year	16¼-16	16 1/16-16½	16¾-17⅛	16⅞-16⅝	17	—	—	—	—	—
Two years	—	—	16½							

Local authorities and finance houses seven days' notice, others seven days fixed. *Long-term local authority mortgage rates nominally three years 15¾-16 per cent; four years 15¾-16 per cent; five years 15¾-15⅞ per cent. ⊕Bank bill rates in table are buying rates for prime paper. Buying rates for four-month bank bills 17¾-17⅞ per cent four-month trade bills 17⅞ per cent.

Approximate selling rates for one-month Treasury bills 15 23/32-15 27/32 per cent; two-months 15 15/16-16 per cent three-months 16 3/32 per cent. Approximate selling rates for one-month bank bills 17 23/32 per cent two-months 17 11/16 per cent; and three months 17 7/16 per cent one-month trade bills 18⅝ per cent two-months 17⅞ per cent; and three-months 17⅝ per cent.

Finance Houses Base Rates (published by the Finance Houses Association) 18 per cent from March 1, 1980 Clearing Bank Deposit Rates for sums at seven days' notice 15 per cent. Clearing Bank Rates for lending 17 per cent. Treasury Bills: Average tender rates of discount 16.1211 per cent.

This announcement appears as a matter of record only. March 1980

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Ali and Fahd Shobokshi Group
General Agencies Corporation
Electrical Works and Maintenance
Al-Arousa Furniture Manufacture & Trade
Orient International Agencies
Shobokshi Maritime Company

Guaranteed by:
Sheikh Ali Hussein Shobokshi and Sheikh Fahd Hussein Shobokshi

U.S. $45,000,000
Medium Term Revolving Credit Facility

Lead Managed by:
American Express Bank
International Group

Managed by:
Bankers Trust Company
Banque de Paris et des Pays-Bas (Bahrain Offshore Branch)
Societe Generale (Bahrain Branch)
Al Saudi Banque (Bahrain Branch)
Barclays Bank International Limited (Bahrain Offshore Banking Unit)
Kredietbank International Group
The Saudi British Bank

And provided by:
American Express International Banking Corporation
Al Saudi Banque (Bahrain Branch)
Banco Exterior de Espana S.A.
Bankers Trust Company
Banque de Paris et des Pays Bas (Bahrain Offshore Branch)
Barclays Bank International Limited (Bahrain Offshore Banking Unit)
Credit Commercial de France
Kredietbank International Group
Societe Generale (Bahrain Branch)
The Saudi British Bank

Agent:
American Express International Banking Corporation

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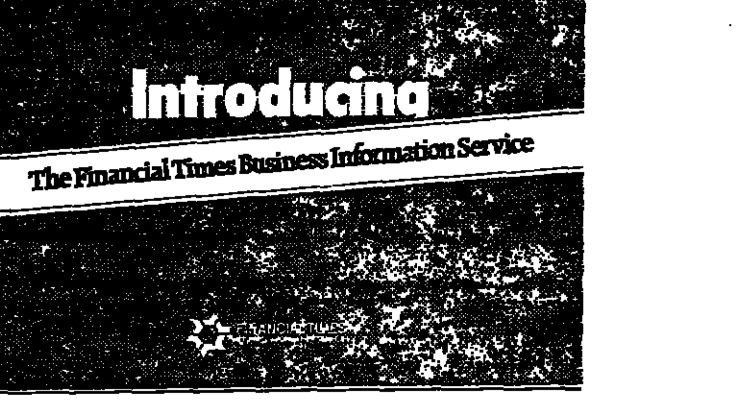

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WORLD STOCK MARKETS

Dow off 8.2 at mid-session

AFTER TUESDAY'S recovery. Wall Street returned to an easier course in fairly active early trading yesterday, with many of the Oil issues falling sharply.

The Dow Jones Industrial Average declined 8.19 from 818.09 and the NYSE All Common Index fell 41 cents to $60.92.

Declines led advances by a four-to-three margin and trading volume came to 24.18m compared with the previous day's 1 pm figure of 30.68m.

Analysts cited concern over the absence of any anti-inflation message from the Carter Administration. The Bond Market was also weak and contributed to pressure on stocks.

Bond Market experts told a House-Senate economic committee the Bond Market needs a strong signal from Washington to restore confidence. The dollar fell while gold and silver rose.

Analysts said news of a small rise in inflation-adjusted business capital spending plans was also discouraging.

Volume Leader **Mobil** lost $2 to $77¼. **Gulf Oil** 1⅞ to $46⅞. **Superior Oil** ½ to $148¼. **Atlantic Richfield** 1⅞ to $91⅝ and **Murphy Oil** ¾ to $101¼. **Texaco**, however, put on ⅛ to $37⅞. It started testing on its fourth Baltimore Canyon well on Friday, but had nothing yet to report.

Union Carbide lost ⅞ to $39⅞. It said expected weak demand could reduce 1980 operating profit. **Ex-Cell-O** fell 3½ to $37⅞. It forecast a 16 per cent drop in first quarter net profits.

Geosource slipped ¼ to $51⅞. **Rockwell International** will sell its 11 per cent stake in Geosource in a secondary offering at $52 a share. **Rockwell** gained ⅞ to $54.

F. W. Woolworth eased ⅛ to $22⅛ despite reporting higher fiscal year net.

Among Metal and Mining shares, **ASA** added ⅞ to $45, **Dome Mines** 2⅜ to $63⅞. **Hecla Mining** ⅞ to $39⅞, **Asarco** $1 to $43⅞ and **Kennecott** ¼ to $31⅞. Copper producers raised prices again.

THE AMERICAN SE Market Value Index edged up 0.07 more to 272.00 at 1 pm. Volume 2.56m shares (3.49m).

Mining and Metal shares advanced but Oils retreated. **O'Okiep Copper** gained 2½ to $50, **Day Mines** $1 to $36 and **Ranchers Exploration** ⅞ to $44⅞.

Caressa fell 1⅞ to $3⅞ after rising $2 on Tuesday. It may buy a stake in **Don Sophisticates** and grant an option to Don Sophisticates to buy 200,000 Caressa shares for $3 each.

Closing prices for North America were not available for this edition.

Canada

Shares tended to recover further ground yesterday morning heavy dealings. The Toronto Composite Index rose 7.2 to 2,012.3 at midday while Oil and Gas gained 25.3 to 4,604.5. Golds advanced 89.3 to 3,168.6 and Metals and Minerals 18.2 to 2,130.2.

In Montreal Banks put on 0.77 to 302.46 but Utilities shed 0.37 to 252.28.

Oils continued broadly higher as **Hudson's Bay Oil** rose 1⅞ to C$122⅞ and **Dome Petroleum** ⅞ to C$71⅛, while **Imepiral Oil "A"** C$49⅞ and **Texaco Canada** C$89⅞ each added ⅛.

Among Mines, **Falconbridge Nickel "A"** rose C$5 to C$129 and **Noranda Mines** ¼ to C$27⅞.

Gold stocks began to firm from recent depressed levels, **Campbell Red Lake** rising $2½ to C$38½. **Dome Mines** 1¼ to C$74, **Giant Yellowknife** C$1 to C$19½ and **Kerr Addison** ¼ to C$18.

Tokyo

Encouraged by the overnight Wall Street rally, share prices generally recovered some ground yesterday in fairly active trading, with some Blue Chips particularly favoured.

The Nikkei-Dow Jones Average picked up 73.79 to 6,609.46. The Tokyo SE Index recouped 4.07 to 454.68, while advances outscored falls by 480 to 174 on the First Market section. Volume came to 360m shares (300m).

Honda Motor rose Y11 to Y566, **Fuji Photo Film** Y18 to Y475, **Canon** Y18 to Y608. **Pioneer Electronic** Y50 to Y1,780, **Tokyo Sanyo** Y18 to Y576 and **Yamaha Motor** Y30 to Y860.

Germany

Shares mainly improved in fairly active trading, buoyed by the better performance on Wall Street overnight and signs of a recovering Bond market. The Commerzbank Index was up 5.8 to 708.30.

Chemicals led the market, with **Ruetgerswerke** rising DM 5.00, **Bayer** DM 3.70, and **Degussa** DM 3.50. **Hoechst** gained DM 1.20 following news of the higher dividend.

Electricals and Machines made solid gains. **Brown Boveri** advanced DM 3.5, **Mannesmann** DM 3.20 and **GHH** DM 2.80. **Siemens** and **Varta** gained DM 2.50, while **Deutsche Babcock** and **KHD** added DM 2.00.

Banks, Steels, Utilities and Motors turned in mixed performances. **Bayerische Vereinsbank** and **BMW** put on DM 2.50 and DM 1.50 respectively, while **Krupp Huette** were off DM 1.60.

On the Domestic Bond market, Public Authority issues were mixed with gains and losses extending to 50 pfennigs. The regulating authorities sold a nominal DM 29.4m of paper after buying DM 3.0m on Tuesday. Mark Foreign loans were steady.

Paris

The Market put on a mixed performance in very quiet trading.

The stronger performance on Wall Street overnight was offset by French banks announcing increases in their Prime Rates to 13¼ per cent from 12.5 per cent.

Australia

After the recent sharp setback, markets showed some signs of recovery yesterday on bargain hunting and closed with a mixed appearance overall.

The Sydney All Ordinaries Index hardened 1.80 to 524.50 and the Metals and Minerals Index gained 38.90 to 5,295.43.

There was no great strength in the recovery. Buying was highly selective and it was clearly without fundamental justification as Gold and Base Metal prices are still weak on the world commodity markets and interest rates are still going up.

Market leader **BHP** recovered 15 cents to A$12.70, while **CSR** put on 6 cents to A$5.50 and **National Bank** 7 cents to A$2.52.

Among Minings, **Bougainville Copper** picked up 20 cents to A$355, while **North Broken Hill** firmed 5 cents to A$335. **Hamersley** 20 cents to A$4.00.

Hong Kong

Stocks closed on a mixed note after nervous trading. The Hang Seng Index after Tuesday's recovery of 16.26, edged up 2.77 more to 836.63.

Investors remained nervous ahead of President Carter's expected major economic address and on worries over possible further increases in the U.S. Prime Rate and Hong Kong interest rates.

Johannesburg

Gold shares closed firmer after active trading in line with the higher bullion price.

East Drie rose 225 cents to R23.75, **President Steyn** 200 cents to R37.00, **President Brand** 100 cents to R38.00, **Buffels** 75 cents to R32.25, **Southvaal** 75 cents to R23.75 and **Stilfontein** 75 to R16.25. Diamond issue **De-Beers** rose 10 cents to R10.20 after results.

Indices

CANADA

Stock	Mar. 11	Mar. 10
Abitibi	21¾	21
Agnico Eagle	13¼	13
Alcan Alumn	66¾	67¼
Algoma Steel	35¾	36½
Asbestos	37	38
Bk Montreal	23½	23¼

BELGIUM (continued)

Mar. 12	Price Frs.	+ or —
Petrofina	5,410	+110
Royale Belge	5,110	+60
Soc Gen Banq	2,460	—35
Soc Gen Belge	1,570	+10
Sofina	3,000	—50
Solvay	2,280	+50

HOLLAND

Mar. 12	Price Fls.	+ or —
ACF Holding	68	+0.5
Ahold	70	+1
AKZO	34.2	+0.4
ABN	272.5	+0.5
AMEV	92.8	+1.3

AUSTRALIA

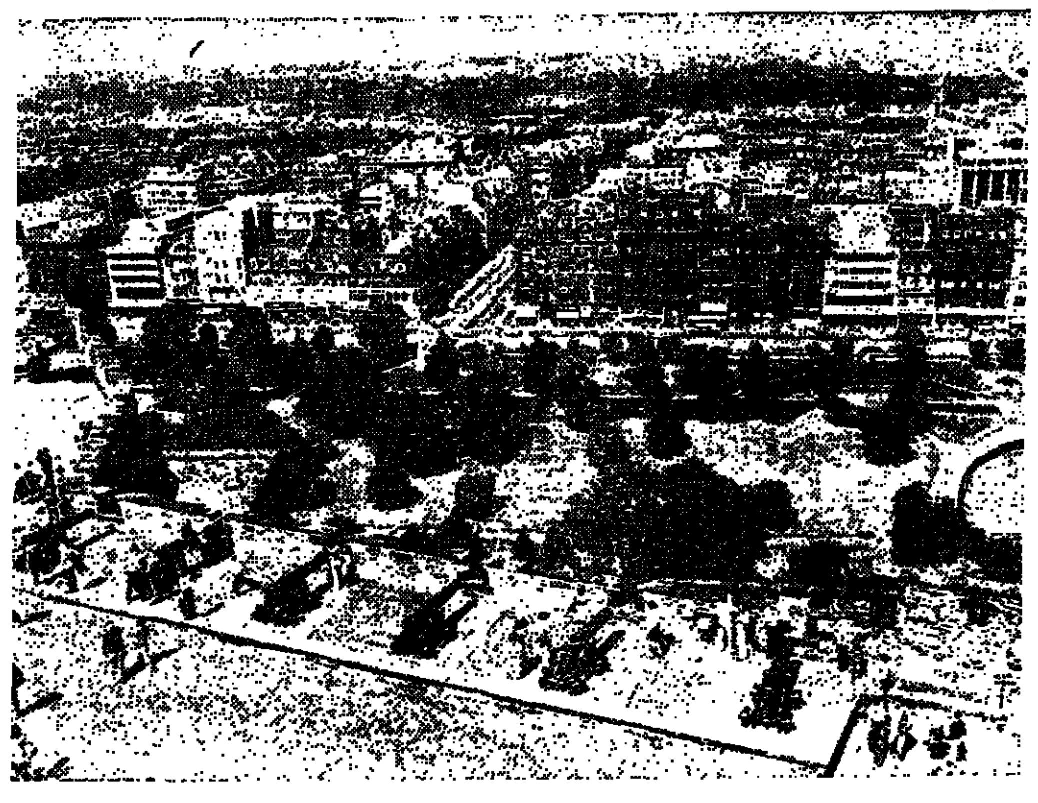
Mar. 12	Price Aust. $	+ or —
ANZ Group	4.40	—0.10
Acrow Aust	1.00	......
Allstate Expl	1.55	+0.05
Ampol Pet	1.08	—0.03
Assoc. Pulp Pap.	2.40	—0.05
Audimco	0.35	......
Aust Cons Ind	2.05	+0.05

JAPAN (continued)

Mar. 12	Price Yen	+ or —
Makita	1,000	......
Marubeni	405	+3
Marudai	505	+7
Marui	650	......
Matsushita	870	+15
M'ta Elec Works	517	+6
M'bishi Bank	415	+4

FINANCIAL TIMES SURVEY
Thursday March 13 1980

Edinburgh



Princes Street seen from the Castle, headquarters of the army in Scotland

Scotland's capital city, the country's commercial and administrative centre, is prospering. Unemployment is below average and its people, threequarters of whom are employed in service industries, live and work in a first-class architectural and geographical environment. RAY PERMAN reports.

Unique and vibrant capital

THE FIRST thing that strikes the visitor to Edinburgh, particularly if he arrives on one of those crisp, bright days when the northern light makes the colours especially vibrant, is how unlike a British city it is.

Geography—or more correctly topography—and architecture set it apart from anywhere else in the UK. A rugged crag of weathered volcanic rock rises nearly 300 feet from Princes Street Gardens in the very centre and is surrounded by a formidable fortress. A mile away, Arthur's Seat, a miniature mountain complete with cliffs, a sheltered glen where sheep graze, and lochs is given added stature and grandeur by the fact that it is hemmed on all sides by buildings.

And what buildings. Edinburgh has 2,500 listed houses, monuments, halls and other structures; only London, 10 times bigger, has more. Nowhere is there such a range of architecture in a confined space. The Royal Mile, which runs down the spine of rock from the Castle to the Palace of Holyroodhouse, is flanked by tenaments up to 500 years old. Openings lead to a warren of passageways, lanes and courtyards. *It is easy to get* an impression of the disease-ridden squalor in which the citizens lived—on top of each other—before the draining of the Nor' Loch and the building of the New Town in the 18th and 19th centuries.

Besides the Castle—a working building rather than a pile of stones since it is the headquarters of the army in Scotland—the Royal Mile contains much else that is impressive. St. Giles, premier cathedral of the Church of Scotland, with its open Gothic crown, Parliament House, where the last Scottish Parliament met in 1707, the house of John Knox, who led the Reformation north of the border, and Holyrood Palace itself. The Queen's residence in Edinburgh, it is one of the most approachable and the most attractive of her homes. Council houses come right up to one of its gates and there is a brewery outside another. Its architecture recalls a Loire chateau, a reminder of the close links Scotland had with the Continent when she was still estranged from England.

In contrast to the crowded Old Town, the New Town is *open, spacious and formal. Its* broad streets and squares make up the largest concentration of preserved neo-classical architecture in Europe. It is the business centre of the city, but at the same time one of the main residential areas, as it is characteristic of Edinburgh that it is still possible to live in comfort within a few minutes' walk of the place in which you work.

There are suburbs on the London pattern, but like *European cities* the vast majority of people living in the centre of the city live in flats rather than houses. This produces compactness. Edinburgh is an extremely easy city to get around.

Easier base

Edinburgh is still a capital city, even though its last head of state to be a permanent resident—James VI—left in 1603 to live in London as an easier base from which to run two monarchies rather than one, and it has not been the seat of a legislature for more than 250 years.

The devolution referendum, just over a year ago, ended for the time being Edinburgh's *chance of winning back that* distinction. The Old Royal High School, the building chosen to house the proposed Scottish Assembly, stands magnificently restored in its Georgian splendour, but empty. The Government has not yet found an alternative use for it, being too big to open up for the occasional northern visits of the Select Committee on Scottish Affairs and too small to use as a conference centre. So it stands forlornly gazing out over the *city from the Calton Hill, seat* of that other folly, the unfinished replica of the Parthenon.

There can be no doubt that, had the referendum gone the other way and the assembly been established, Edinburgh would have benefited greatly. Centres of power attract those who need to be near the decision making process. Already in the past five years a number of major companies had set up offices in Edinburgh specifically *to* monitor the flow of administrative decisions coming from St. Andrews House, location of the Civil Service in Scotland, and to be ready for the assembly. Although none of the lobbyists, who include ICI, BP and IBM, has decided to move out because of the referendum result, no more have come in since March 1, 1979.

Yet Edinburgh still retains many of the trappings of a capital and many of the advantages — and drawbacks — that *follow in their wake. If legisla*tive devolution is not to be, administrative devolution has already happened and few people realise its extent. There are some 13,000 civil servants working in Edinburgh, more than are employed by the European Commission in Brussels. Under the political direction of a Secretary of State and six Ministers they carry out almost all the domestic functions in Scotland performed in England by the London-based Government departments.

Thus when farmers in Scotland want to apply for grants they write to Edinburgh rather than London, when teachers want to demonstrate against the latest round of spending *cuts in education, they do so* in Edinburgh and when local authorities want to lobby for higher rate support grants, it is to Edinburgh that they come. It is decentralised power in a UK context, but to

CONTENTS

many Scots the "bureaucrats in Edinburgh" are just as remote, unconcerned and out of touch as their counterparts in Whitehall are supposed to be.

Edinburgh is, of course, also the seat of the City Council *(called since 1975 the City* District Council, since it is now also responsible for some of the outlying areas such as South Quensferry, where the Forth road and rail bridges cross to Fife) and the Lothian Regional Council, which administers services such as roads, education, social work, water and sewerage for the three Lothian counties and the city. There are well over 20,000 people working in local or national government service *in the city.*

Business interests

Being a capital means more than just government. Edinburgh is and always has been *the commercial centre of Scot*land. Two of the three Scottish clearing banks, the Royal and the Bank of Scotland, have their headquarters there, so do three Scottish merchant banks, seven of the leading UK life insurance offices, two shipping lines, manufacturers like the Distillers Company, nationalised industries such as the Scottish area of the National Coal Board and the Scottish Gas Corporation.

It is the focus for the separate and distinctive Scottish legal system, being the base for the Lord Advocate (chief Scottish law officer), *the Court of Session* (High Court) and Scottish Appeal Court, the Faculty of Advocates (the equivalent of an Inn of Court) and the Law Society of Scotland.

It is the home of some characteristically Scottish skills, like prudent money management: around a third of all the cash invested in the UK is handled through Edinburgh.

Add to these activities the fact that Edinburgh is also a national and regional shopping centre and that it acts as a warehousing and distribution point for South-East Scotland and it is hardly surprising that threequarters of the working population is employed in the service sector. This imbalance between services and manufacturing has in fact been growing as the number of manufacturing jobs declines (faster than in the country as a whole) and the number of service jobs increases.

This is a trend the City District Council has been concerned to arrest because it means generally more female employment and less male, hastening the drift of population away from the city.

Prosperous

Several policies have been adopted to stop the fall in population, but the extent of the problem should not be exaggerated. In the 15 years up to 1976 the fall was only 15,000 to 469,000, and in the meantime the city has been growing richer. It is a prosperous place whose unemployment rate is *always significantly lower than* the national average and whose problems of urban decay are slight compared to its near neighbour, Glasgow.

Being a capital city has meant a high level of infrastructure and *facilities which few pro*vincial cities of comparable size can boast. In education, for example, it supports two universities, several technical colleges and colleges of education, two major public schools and several minor public and direct-grant schools and a State primary and secondary system that is highly regarded. As well as the usual general and specialist hospitals it also supports medical research of an advanced nature in several important fields and has a renowned medical school.

Culturally, too, Edinburgh is well off. The annual International Festival attracts celebrities of world-wide fame, but during the other 49 weeks of the year there are concerts and performances in all the arts of a far higher than provincial standard. The city houses the Scottish National Gallery, the Scottish Royal Academy, the Royal Scottish Museum, the National Library of Scotland and many other national institutions. Even in religion it is overendowed, having three cathedrals (Church of Scotland, Episcopalian and Roman Catholic) and the annual general assemblies of both the Church of Scotland and the Free Church of Scotland.

In recent years there has been vast spending on infrastructure, which is still going on. A system of *by-pass roads is under* construction and more are planned. The airport has virtually been rebuilt, with a new runway and passenger terminal. A new dam and reservoir is being constructed in the Borders to bring water to the city and two years ago a new sewage treatment plant was opened to prevent raw waste from the city being pumped unprocessed into the Firth of Forth.

Goes down well with financial wizards!

EDINBURGH II

Keen demand for limited building space

A COMBINATION of factors makes Edinburgh a difficult market for everyone involved in property, from planners and builders to agents and occupiers. On the one hand the importance of the city as an administrative and commercial centre means that demand is high, particularly in the central area: but on the other its importance historically and architecturally means that the supply of development space is tight.

The character of Edinburgh puts constraints on all types of property development. There are so many listed buildings, often with restrictions on what can be done inside as well as outside, that demolition or extensive exterior remodelling are often out of the question. Gap sites, where there are any, are in hot demand and usually *considerable* ingenuity is required to get the best from them.

Nowhere is this more true than in the commercial and retailing heart of the city, the New Town. George Street and *Charlotte and* St Andrew Squares, which it links, are the main locations for offices in the city centre, particularly for banks, building societies, insurance companies and other financial institutions.. Yet they *also contain some of the city's* finest buildings. Consents for demolition have been rare, Standard Life being the most recent recipient of one for the extension of its head office, and the more usual course has been to *rebuild behind* a preserved facade or to refurbish, often at higher cost than straight demolition and rebuilding.

Restraint

The District Council operates a policy of restraint on the amount of office building in the city centre, partly as a way of relieving the pressure on the historic buildings and partly to try to preserve residential accommodation in the inner area.

The Central Area Office Restraint Policy, adopted by the then City Council in 1973, restricts office growth except where *an owner or occupier can show* overriding need to be located in the inner area, or that the rehabilitation of an existing building would involve extraordinary cost. Even then, the extension of floor area is restricted to an extra 10 per cent.

The council also identified *some outer city sites where office* development would be encouraged. These included South Gyle, where there is already an industrial estate, Leith and Nether Liberton. But *enthusiasm to go there*, both by developers and tenants, has been markedly lacking.

There have also been one or two sites on the fringes of the central area where office development has been permitted. One block near Haymarket Station, in the west end of the city, is nearing completion and should be ready for letting later this year, although British Rail has run into delays *with the redevelopment of the* station itself, and the district council itself is proposing to develop the 14-acre former goods yard on Lothian Road. Present plans include a 1,500-seat conference centre and a hotel, *but the Distillers Company* is also to be allowed to build a new headquarters office block there.

A few companies have found the confined space and the planning regulations too restricting and have preferred to leave the city centre altogether, but they are relatively rare. Another life insurance company, Scottish Widows, has been the most prominent example recently, leaving St. Andrew Square, the area where most of its competitors are based, for the freedom of a site two miles south where it has moved into spacious modern offices with green glass frontage, pools and fountains, that would be unthinkable in the city centre.

The building Scottish Widows vacated, one of the oldest in the New Town, has been gutted and is in the process of being rebuilt as new Scottish headquarters for IBM.

Lettings in the city centre have traditionally maintained a relatively high level, although 1979 saw some tailing off, partly as a reaction to the exceptionally high levels of the previous *few years, but probably also* because of the generally poorer economic situation, which particularly affected Government departments. This hit out-of-centre locations more than those in the centre and the difference *was so marked that* agents Strutt and Parker commented in their last quarterly office survey that a two-tier market was developing.

Total lettings for last year appear to have been only 60 per cent of the figure for 1978, but 85 per cent of the space *that was taken up was located* within the inner area. Rents have been slowly creeping up for a number of years and at the top end of the scale have reached £4.50-£5 a square foot for new or refurbished accommodation in the centre.

In retailing, the trend to move towards the centre has been similar, apart from some suburban supermarket developments by firms like Asda and Fine Fare. Princes Street, the main shopping street in Edinburgh, has become more crowded and expensive while North and South Bridges and Lothian Road (respectively at *the east and west ends of* Princes Street) have declined in popularity.

At a premium

Space in Princes Street is at a premium, although the architectural *restraints* are *not so* acute as in George Street since most of the original facades were removed in the late 19th and early 20th centuries. Rents have reflected the tight supply, and the competition for space *has spilled over into the areas* immediately adjoining, particularly Shandwick Place and the new St. James' Centre.

The only significant vacant site in Princes Street is the old Waverley Market next to the *North British Hotel. It is owned* by the District Council, which recently indicated it was going to develop, probably for mixed use, including shopping, some offices (probably for its own use) and a new tourist information and accommodation bureau. Its location must make it one of the best available sites anywhere in the UK, but as it is on the south (that is the unbuilt) side of Princes Street, there are legal restrictions on any building there. The main access will have to be via Waverley Bridge and there will be no frontages directly on to Princes Street because no development is allowed to interrupt the view *of the Castle skyline*.

Housing continues to be an important sector of the property market, but again new building has been restricted by the availability of sites. The District Council's planning department *recently published* a comprehensive guide to all parcels of land which are vacant or likely to become so and which are, or will be, zoned for housing.

The object is to ensure a balanced development between the District Council and other public bodies such as the Scottish Special Housing Association, private housing associations and private builders. The *pressure on new housebuilding* is expected to be steady, since although the population of Edinburgh is falling, so too is the average family size, hence the number of households is increasing.

Edinburgh's growing tourist trade has provided a spur to hotel building. At the moment the city lacks a five star hotel, but there are proposals to pro*vide it with two. British* Transport Hotels has plans to extend and upgrade its Caledonian Hotel, at the west end of Princes Street from four star to five, and the District Council wants to see a five star hotel built on the Castle Terrace site, which was once to have been the location for a city opera house.

Ladbroke's is currently building a smaller hotel in and *around an old mill in the Dean* Village, a few minutes walk from the city centre, and International Caledonian Assets has been given consent for another a short distance away in the same area.

SURVEY OF NEW INDUSTRIAL AND WAREHOUSE ACCOMMODATION DECEMBER, 1979

Site Edinburgh	Developer/Owner	Vacant/ Under construction (sq ft)	Additional units that could be developed (sq ft)	Remarks/Rent per sq ft
Stenhouse Stadium, Gorgie Road	Lamont Holdings	40,000 (from 3,900)	Nil	Summer 1980 £1.[illegible]
South Fort Street	Miller Developments	Nil	50,750	Construction still to commence
Newhaven Road	Scottish Metropolitan Property Company	Nil	20,000	£1.85 Construction to commence shortly
South Gyle	Laing Properties	30,000 (from 6,500)	39,000	Available now £1.75
Sighthill Industrial Estate	Standard Life	65,000 (from 5,000)	Nil	Available now £1.70-£1.90
West Shore Road, Granton	MDW Developments	40,000 (from 5,000)	Nil	Available September 1980 £1.85
West Harbour Road, Granton	Town Centre Enterprises	80,000 (from 5,000)	Nil	Available September 1980 £1.85
Peffermill Road	Scottish Development Agency	12,500 (1 at 2,500; 1 at 10,000)		Available now £1.90-£2
Newcraighall Road	Miller Developments	14,000 (from 2,500)	—	Available now £2
Newcraighall Road	Rowlinson Construction	43,000 (from 11,000)	140,000	Available now £1.70
South Gyle	MDW Developments	25,000	25,000	Available early 1980 Min. £1.75
Seafield	Laing Properties	—	40,000	
West Bowling Green Street	MDW Developments	5,000	Nil	£1.65
West Bowling Green Street	London and Clydeside Properties	7,500 (from 2,500)	Nil	Available now £2
Orwell Terrace	Teesland Development Company	22,500 (from 7,000)	Nil	Available September 1980 £1.80
7/9 Newhaven Road	Miller Developments	23,200 (from 5,800)	Nil	Available September 1980 £1.85
Leith Walk Trading Estate	MDW Developments	24,500 (from 7,300)	15,900	Available September 1980 £1.85
Out of Edinburgh				
Straiton	Dobson of Edinburgh	Nil	150,000	Sites for ground lease only
Clifton (Newbridge)	Barclays Trust Company Drum Developments	50,000 (from 7,000)	100,000	Available now £1.[illegible]
Broxburn, East Mains	Hanover St. George Securities	64,000 (from 4,000)	Nil	Available February 1980 £1.60
Livingston New Town	Livingston Development Corporation	104,400 (from 3,100)	—	Average gross rental £1.8[illegible]
TOTAL		650,600 sq ft	580,650 sq ft	

Source: Kenneth Ryden and Partners, Edinburgh Office.

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Oil revives Leith's fortunes

THE PORT of Leith is the largest on the east coast of Scotland and in the top half dozen in Britain. Its prosperity is an important factor in the continued thriving of Edinburgh as a centre of trade and commerce.

But it was not always so. Ten years ago Leith was facing a crisis that could easily have led to *its closure. As shipping* declined, a number of lines withdrew their services between the port and Scandinavia and Europe in favour of ports on the east coast of England which were nearer the larger markets of the South East. Leith was losing £500,000 a year and there were suggestions that as an economy measure its new lock—opened in 1969 to permit vessels of up to 30,000 dwt to use its docks and harbours—should be operated on a tidal basis.

Mr. John Sutton, managing director of the Forth Ports Authority, remembers that period as the nadir in the fortunes of Leith. He joined the authority *in 1971 and his* early tasks were preventing the further rundown of the facilities, which would have made it even less attractive to shipowners, and holding on to the remaining traditional business, the handling of bulk cargoes.

The turning point came shortly afterwards when the oil finds made in the North Sea began to be proved commercial, and development companies began the search for supply and service bases. Although further from the fields than either Aberdeen or Dundee, Leith and the Firth of Forth had a lot to offer.

"For all the wrong reasons Leith had a lot of space vacant in sheds and areas of land near the docks, which was what the oil industry wanted. It was also near the seaward end of the Forth estuary, where there was deep water and safe anchorages *for repairs and refitting of rigs* and the loading of modules and other structures," Mr. Sutton says.

"We could never compete with Aberdeen for the everyday side of the oil business, but for activities where it was not so important to be so close to the fields and which needed some space, Leith was attractive. The oil business enabled the port to pull itself up by its boot straps."

Leith now has a varied mixture of oil related business. The Motherwell Bridge engineering group has a module construction yard on land by the Western Harbour, next to the pipe coating plant of British Pipecoaters, a British Gas Corporation subsidiary which has recently spent £4m installing equipment to enable it to apply thin film epoxy coatings.

Leith is also the base for a pipe-spooling ship, the £15m Apache, owned and operated by Santa Fe UK. A remarkable-looking vessel, she can lay continuously welded pipe from a huge drum mounted amidships. There is also a number of supply companies and chandlers using the port, such as Theriot Overseas Services and Continental *Shelf Supply, and the* submarine operator British Oceanics.

The rise of offshore work has given Leith the revenue to help modernise the facilities it offers to ship operators and other users of the port. This has come not only from the increased use of the port itself, but also from the revenues from rigs using anchorage points in the Firth of Forth to refit or *re-equip, and from the use of* BP's Hound Point terminal, an offshore loading point close to the Forth road and rail bridges.

Hound Point is one of the principal exporting points for North Sea oil, and last year 90m tonnes of Forties crude passed through it via the Grangemouth refinery. Tankers of up to 267,000 dwt use the terminal, but Mr. Sutton says that in the *three years it has been open* there has been only one spillage

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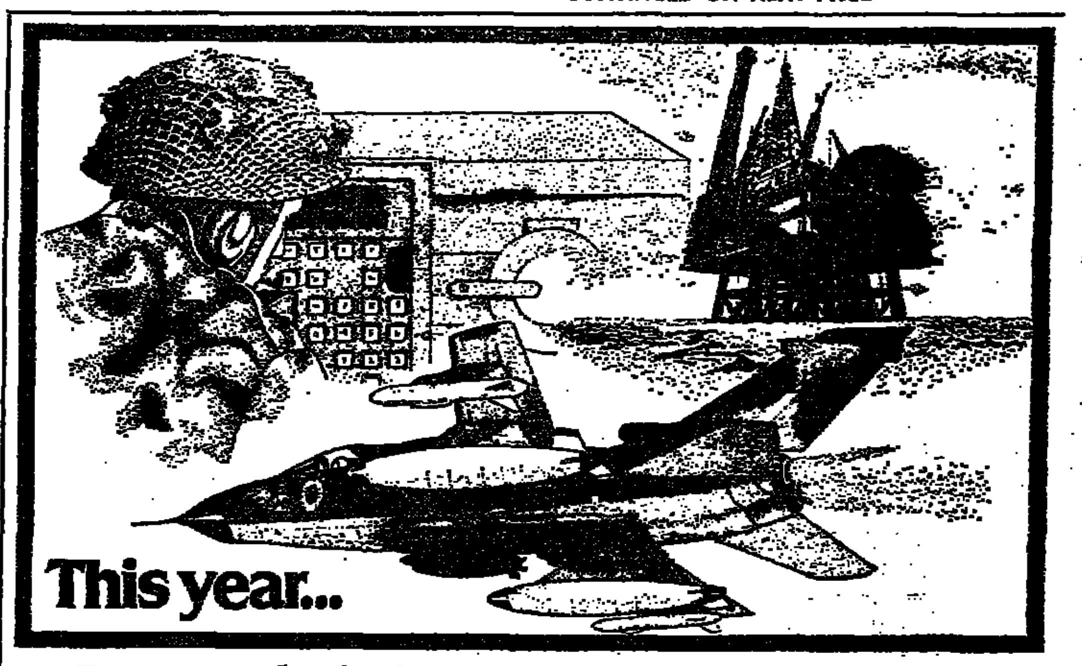

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Service industries continue to dominate employment

"MERCIFULLY, Edinburgh has almost no manufacturers," *wrote Lord Cockburn, the city's* most famous diarist, in 1849. "Some strange efforts have occasionally been made to coax these things to us, but a thanks-deserving Providence has always been pleased to defeat them."

Whatever Lord Cockburn believed, Edinburgh once had a fairly substantial manufacturing base but the trend over recent years has been for it to decline in favour of service activity, particularly in public administration and finance. The *extra-terrestrial power which* was apparently working 130 years ago is clearly still active in trying to thwart the attempts by the local authorities to redress the balance.

Professor Norman Hunt, in a report for the City Council in 1968, estimated that half the 213,000 people working in Edinburgh were involved in industrial activity of some kind: either manufacturing, the primary industries, construction, public utilities or transport. The most likely figure now is probably a quarter.

The decline in manufacturing employment has been far faster than in Scotland as a whole. Some 29,000 jobs, 30 per cent of the total, were lost between 1964 and 1974.

The two local authorities — Edinburgh District and Lothian Regional Councils — have policies favournig the growth of manufacturing, but it is an up*hill* task trying to make them work. On the one hand there is what Mr. Bob Shanks, the *region's industrial development* officer, describes as "the hard-dying myth" that Edinburgh is *not an industrial city and, on* the other, the fact that the recent change in the regional aid structure will mean that it will be at a considerable disadvantage compared with other areas of Scotland, notably Glasgow and the West, when trying to attract new industry or encouraging existing firms to *expand.*

From July 31, Edinburgh is to lose its development area status, but the rules are so tightly drawn that the shutter is effectively already down on *applications for grants on build*ings and equipment. To qualify for the 20 per cent grant payable up until now, companies will have had to have completed new factories (half-finished buildings will not receive grant *aid) and taken delivery of any* new plant and equipment by the set date.

With only five months to go before the deadline it is obviously too late for new projects to qualify.

Mr. Shanks is clear what this will mean to the city: "Industry's cash *is* under intense pressure and there is already a brake on investment. If you withdraw the *incentive* — and 20 per cent is a real incentive — *it* is bound to cut back hard on expansion by firms."

Unassisted

Edinburgh has already once experienced the effect of being at a disadvantage in the industrial attraction competition. From 1972 to 1974 the city was unassisted while the surrounding counties qualified for development grants. Several major firms moved out, including Edinburgh Crystal, the glass manufacturer, Uniroyal Tyres and Drambuie, the liqueur maker.

Now there are signs that the same thing might be happening again. Ferranti, one of Edinburgh's major employers, recently announced that its Cefax computer graphics division would be moving to Livingston New Town. It was made clear by the management that the higher level of financial assistance available there was a big factor in the choice of location.

Many areas which are harder hit by industrial problems may think that the city's concern is exaggerated. The service sector contribution to the Edinburgh economy is growing and there are important advantages to being a capital city with a strong educational base. Un*employment* has always been low compared to the national average. The latest figure, for example, is 6.6 per cent, *com*pared to a rate of 9 per cent for Scotland as a whole.

What manufacturing *industry* remains in Edinburgh is mainly in growth industries. Ferranti, the largest electronics employer in Scotland, came to Edinburgh during the war to make gyroscopic gunsights for Spitfires and *has* stayed, developing increasingly sophisticated electronic aids for defence forces.

Ferranti's influence on the city has been great. It has provided employment for many of *the* science and *engineering* graduates from the two universities and many colleges (Edinburgh has three times the proportion of scientifically and technically qualified staff employed in manufacturing found in Scotland as a whole). And it has spawned, either as a result of management initiative or through ex-employees, numerous small firms in electronics and precision engineering.

Other major electronics firms in the city include Hewlett-Packard, the California-based instrument maker, which has recently announced an expansion of its plant just outside the *city of South Queensferry*, Racal-MESL, which makes a wide range of microwave and electronic products, and EMI-Nuclear Enterprises, specialists in medical equipment.

These last two were small firms developed in Edinburgh and later taken over by major UK groups.

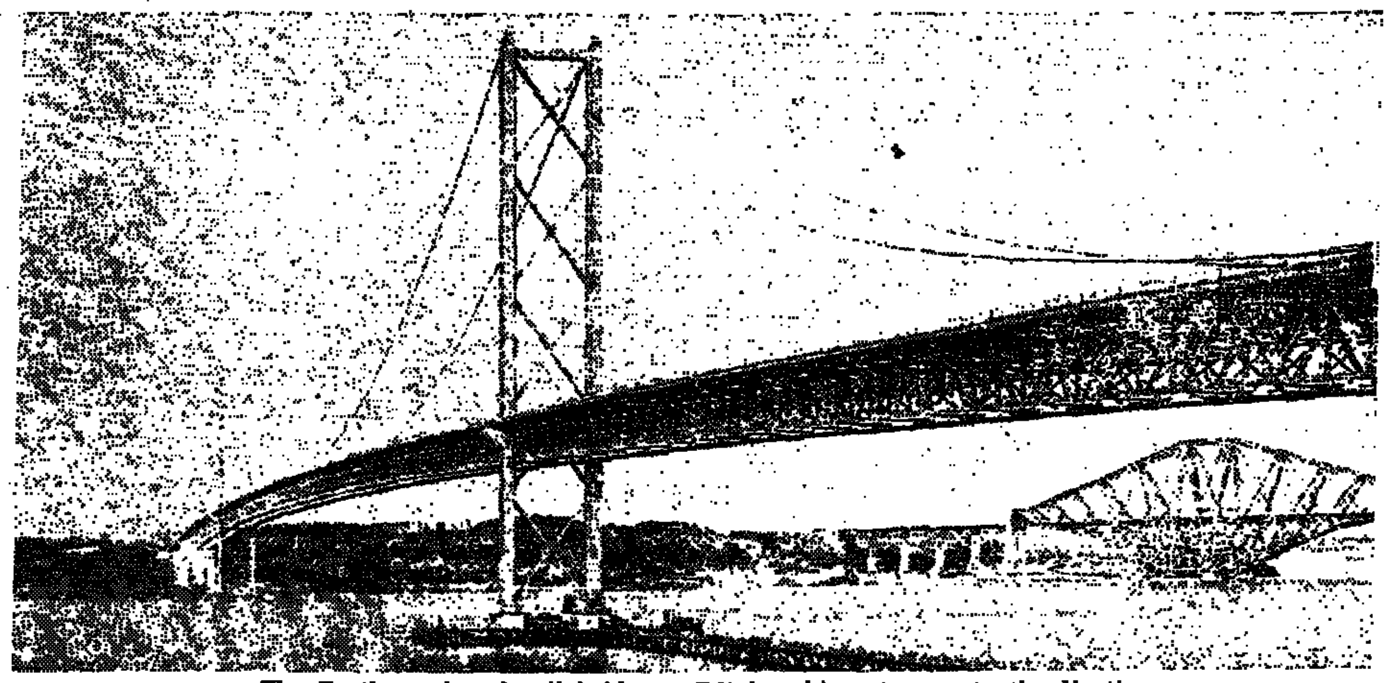
Edinburgh *was traditionally* associated with "beer, books and banking." Beer and banking have remained prime employers, although printing is now less important than it once was and has become highly *specialised.*

Brewing is probably the largest manufacturing industry *in the city with a dozen or* more individual breweries operated by Scottish and Newcastle, Tenant Caledonian, Usher-Vaux and Drybrough.

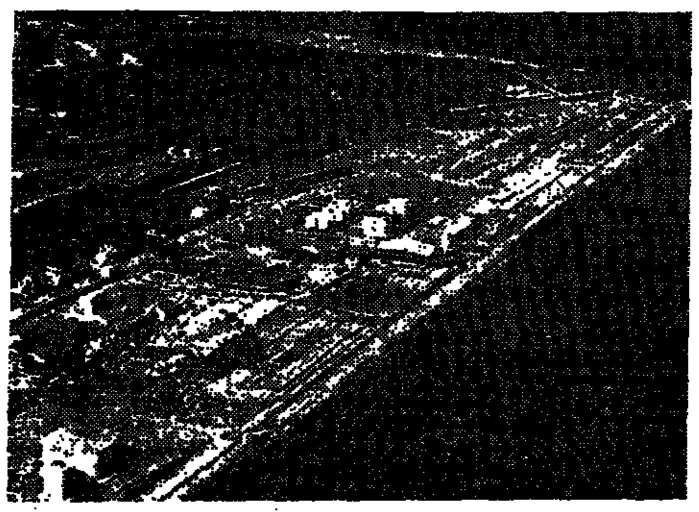
There are two major grain distilleries, owned by Scottish Grain Distillers and the independent group, North British Distillery, and a number of whisky blenders, bottlers and bonded warehousemen.

Engineering is a small, but specialised industry. Brown Brothers, a Vickers subsidiary, is a market leader in the manufacture of ships' stabilisers, Miller and Co, part of the Johnson and Firth Brown steel group, makes steel rolls for papermaking, and the Robb *Caledon shipyard is at Leith.* One of the smallest yards in the nationalised industry, it has survived the world shipbuilding crisis by specialising in small vessels such as ferries, crane £9m lighthouse supply ship for *£9 lighthouse supply ship for* Trinity House.

Service activity is not only *confined to banks and financial houses.* Tourism has been steadily growing in importance and last year brought an estimated £70m in revenue to the city. The District Council encourages the trade by providing information and an accommodation service and by looking for new types of business to *extend the season into the* spring and autumn. The city is also growing as a conference centre and in 1979 hosted 300 conferences.



The Forth road and rail bridges—Edinburgh's gateways to the North



Leith, looking towards the Western Harbour. The fertiliser depot and the pipe coating plant are in the foreground

Leith's fortunes

CONTINUED FROM PREVIOUS PAGE

of four tonnes and that was cleaned up before it came to *public notice.*

Mr. Sutton is adamant that Leith has not gone out to attract *oil-related business at the ex*pense of its traditional customers. Some £800,000 was spent in 1978-79 increasing the handling speed of the grain elevators which serve the whisky and animal feedstuffs industries by 60 per cent. *The two flour* mills, operated by Rank Hovis McDougall and Chancelot Mills, *on the Western Harbour use* their own discharge equipment and storage silos.

A similar amount has been spent on loading gear for coal, to be used by the National Coal Board to export Scottish coal to the power stations *of South*-East England. The plant can load at up to 3,000 tonnes an hour and is suitable for other types of bulk cargo besides coal.

The ICI subsidiary, Scottish Agricultural Industries, and Fisons Fertiliser, which also has a base at Leith, use the port to import phosphates and other bulk cargoes and to export fertliser in palletised shipments.

New types of bulk cargoes have also been attracted to the port, including timber from Canada and wood pulp from the Mississippi for the paper industries of Fife and the Lothians. And Leith is benefiting from a resurgance in the liner trade, only now it is passenger *rather* than cargo ships that call, taking advantage of Edinburgh's attractions as a tourist centre.

Cash has also been spent outside the port itself, improving the navigation and safety services. The Forth Navigation Service has complete radar coverage of the estuary from its *stations at Leith and Port Edgar* and ships carrying hazardous cargoes are segregated from other vessels. The complete accident records of any tanker using the Forth can be obtained within minutes by using a computerised central record service in the U.S.

Modernising

"We are modernising our facilities all the time," Mr. Sutton says. "We have to admit that there is a lot of obsolescence left in Leith, but it is being removed."

The expansion of Leith has not much further to go. Some land is being reclaimed from *the Western Harbour and there* is some space at Granton, a small neighbouring harbour, but generally areas for development are at a premium—changed days from the beginning of the last decade.

To underline the turnaround undergone by the port one only has to look at the financial figures: the estimated surplus for 1979 is £500,000, by coincidence the same sum the port *was losing 10 years ago.*

EDINBURGH AND THE FORTH

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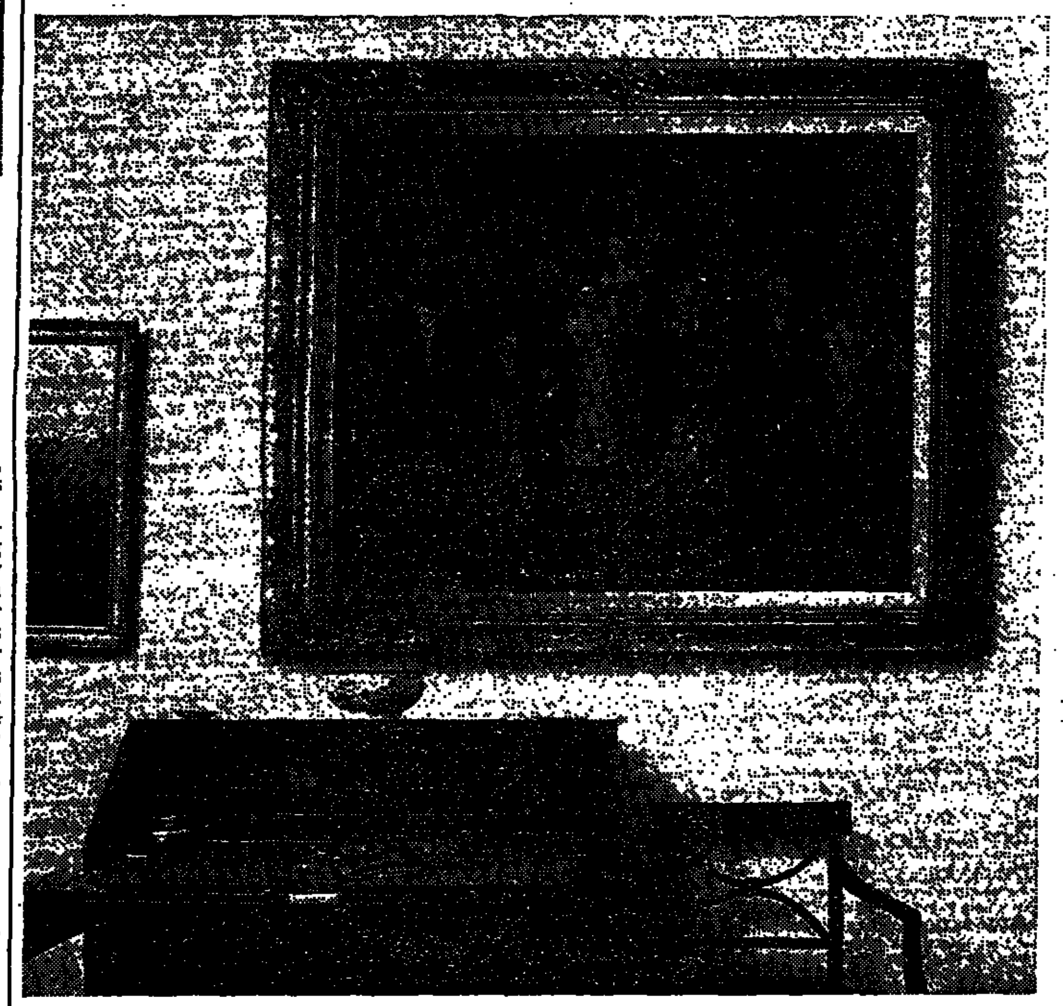

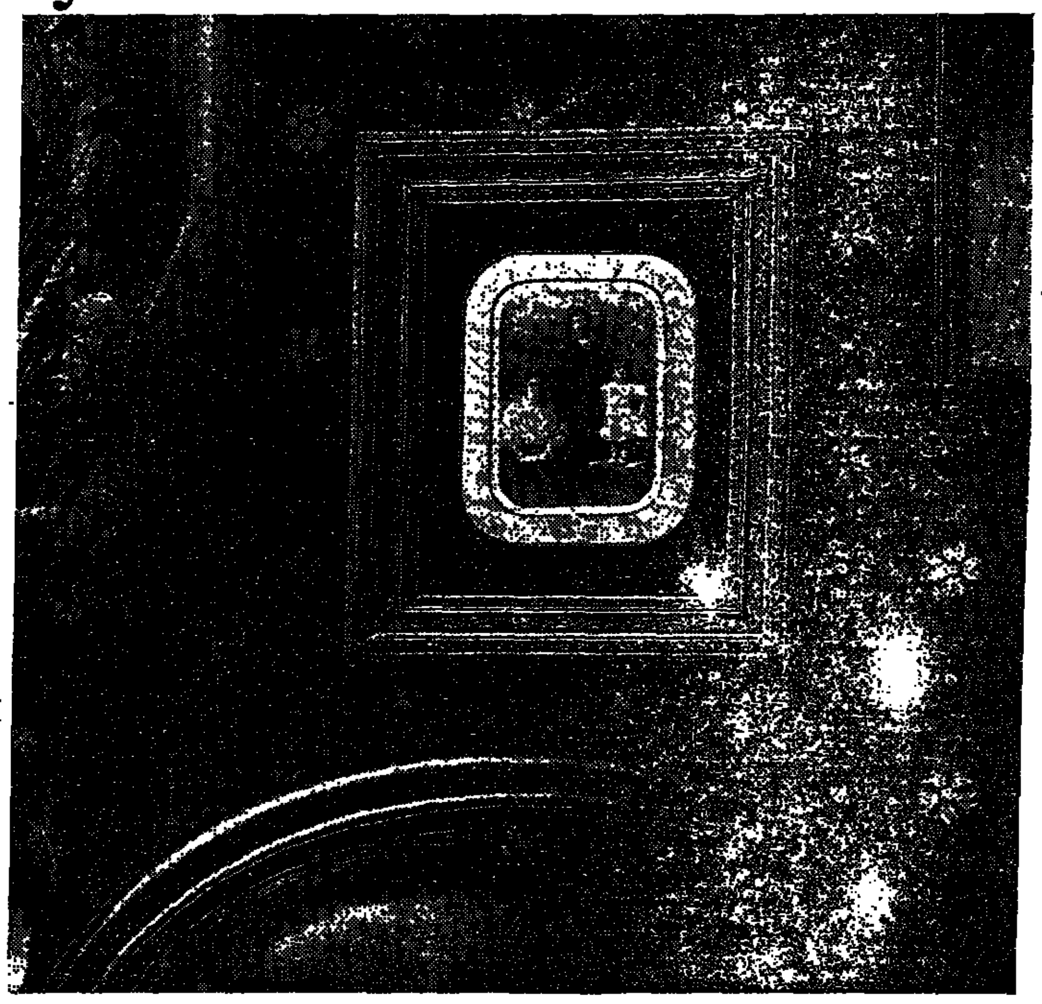

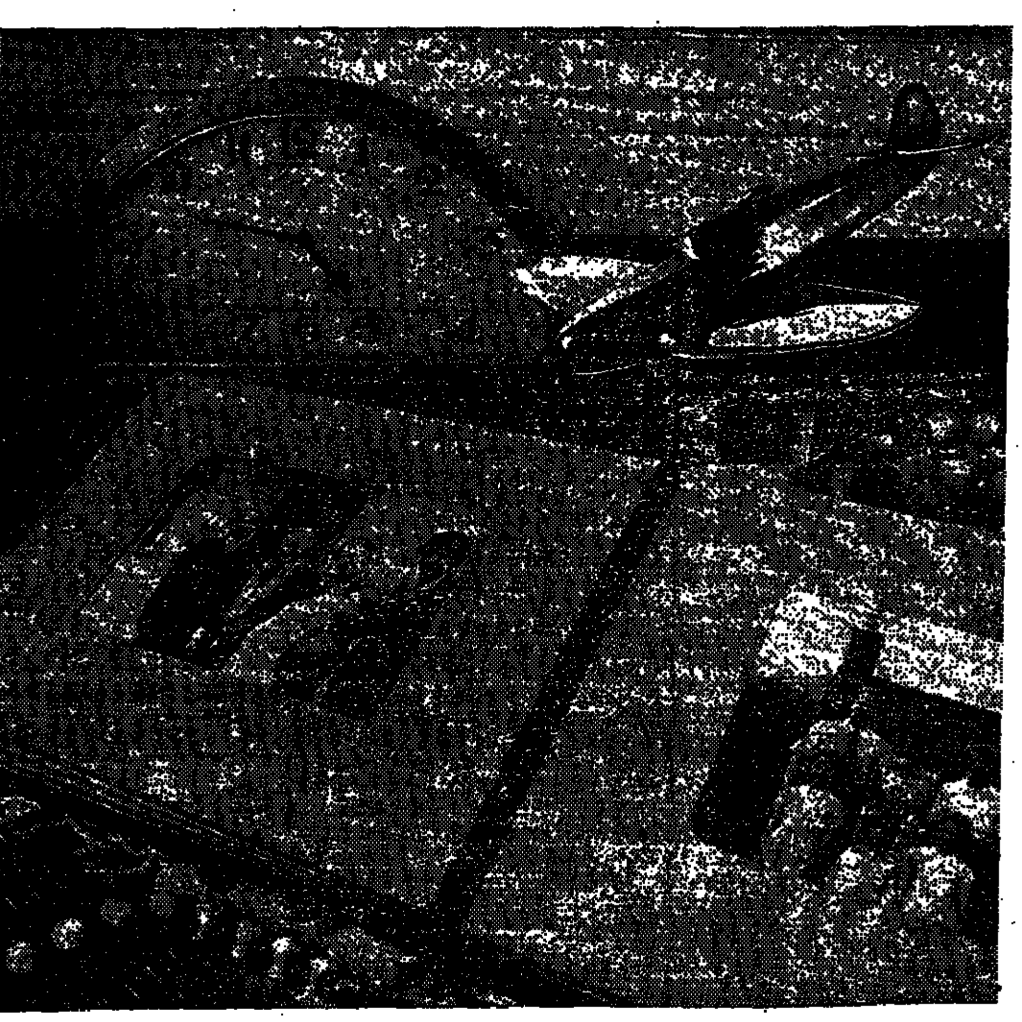

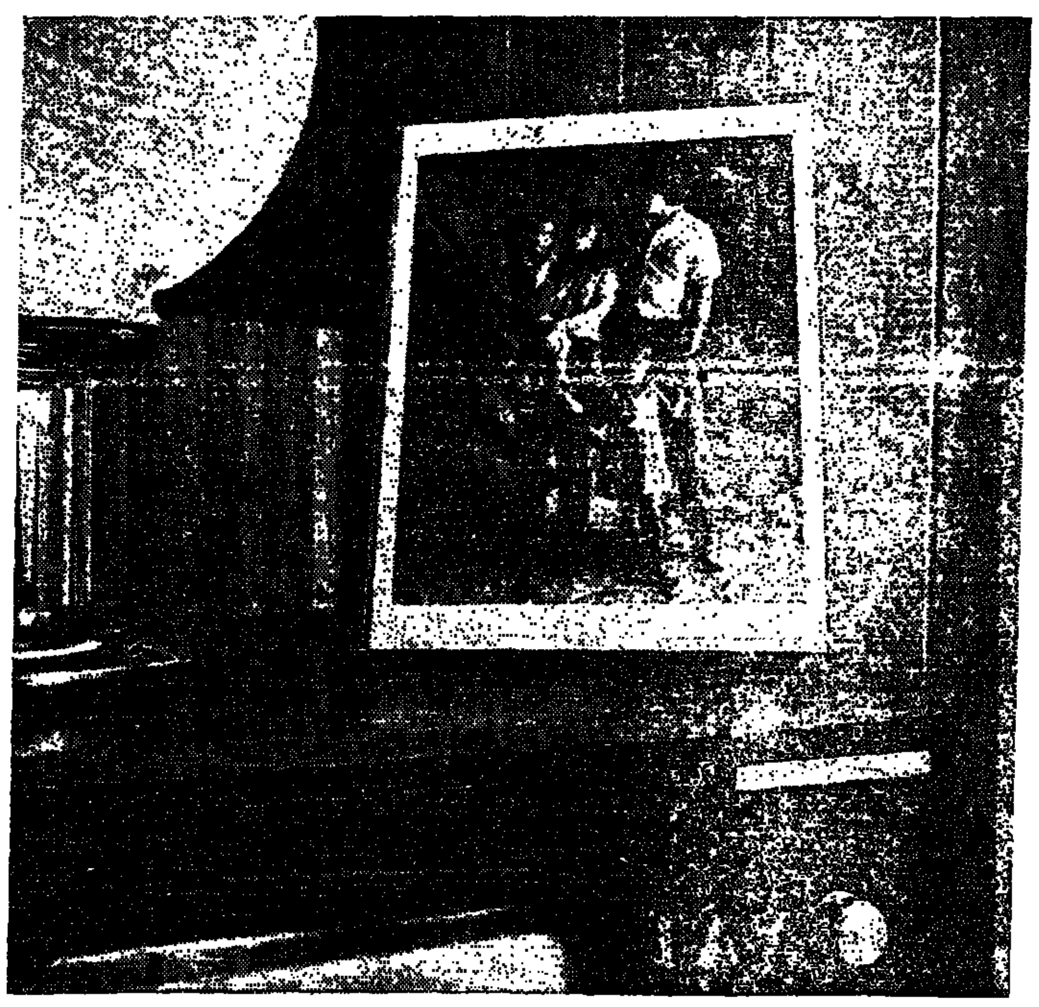

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Festival faces financial uncertainty

BY THIS time in most years the programme for the Edinburgh International Festival, held every autumn, is already public knowledge. But last month there was a major omission when the festival director, Mr. John Drummond, announced in Edinburgh, London and New York the names of the performers and companies appearing in 1980. He was able to say a lot about what music and dance was on offer, but very little about the drama.

The reason was that, not for the first time, the Edinburgh Festival is uncertain about the size of its budget. In the past there have been occasions when the extent of local authority support has been in doubt until the last minute, but this year it is the Arts Council which, faced with a cut of indeterminate size in its own grant from the Government, has had to put off its allocations.

Mr. Drummond, in consequence, has had to put off his confirmation of bookings on halls and companies. Whereas their opposite numbers in the other great cultural festivals of the world, such as Saltzburg or Bayreuth, are assured of sufficient funds to have flexibility in the budgeting, directors of the Edinburgh Festival, like the organisers of practically any cultural event in the UK, learn caution and patience.

Prudent city

Perhaps this suits the city—never a place to encourage extravagance or liberality where thrift and prudence will do as well.

There is no doubt that Edinburgh does extremely well from its festival, which year after year manages, despite financial crises, to present a varied programme of the highest standard and to attract star names of international repute. This year they include Claudio Abbado, Sir Alexander Gibson, Zubin Mehta, Riccardo Muti, Jassye Norman, Dame Janet Baker, Claudio Arrau and Alfred Brendel. The list is always long and impressive, even though Edinburgh cannot pay fees up to the levels of its better heeled overseas rivals.

If they do not come for money, then the stars must come for something else and the reason seems to be that they genuinely enjoy the excitement and the intimacy of a festival on an international scale taking place in a very compact area in the centre of a handsome city. And the citizens have a disarming way of making celebrities feel the fragility of fame; where else could someone of the repute of Daniel Barenboim, striding across the restaurant of the Festival Club in his white tie and tails after a performance, find his sleeve tugged by an indignant old lady demanding to know where the meal she had ordered 20 minutes previously had got to?

This year's festival budget will probably end up at around the £1.2m it has been for the last two years. Usually around two-thirds comes back in ticket receipts and broadcasting fees, with most of the rest coming from public bodies. The city council is putting up £363,000. But increasingly, commercial sponsorship is adding a small, but welcome, extra amount to give Mr. Drummond more room to manoeuvre.

Past and present sponsors have included banks, insurance companies, breweries, distilleries, oil companies and nationalised industries. Some firms make a once-only contribution to be associated with a particular event, others, such as BP, which has become a regular major benefactor, give support year after year.

Sponsors, naturally, want something for their money, but Iain Crawford, the festival's publicity manager, is surprised how little they demand. A discreet mention in the programme and advertising and the kudos of being associated with a prestigious event are sufficient for most firms. No-one has yet demanded the company name above that of the start or composer/author and, says Mr. Crawford firmly, none would get it. Edinburgh does not need money that badly.

Unadventurous

Understandably, sponsors like to support programmes which they know will be successful and popular. This is useful since it frees subsidy money from other sources to finance new or unusual works, but it does tend to the situation where private money will *only* support the conservative and unadventurous in the arts.

Edinburgh is lucky in having one sponsor that has tried to break away from this position. Tennent Caledonian Breweries has pledged £20,000 a year for a number of years specifically to commission new work. The first, to be performed this year, is a piece of music theatre by the British composer Peter Maxwell Davis called The Lighthouse. Tennent Caledonian's cash has paid the commissioning fees and helped towards the costs of production.

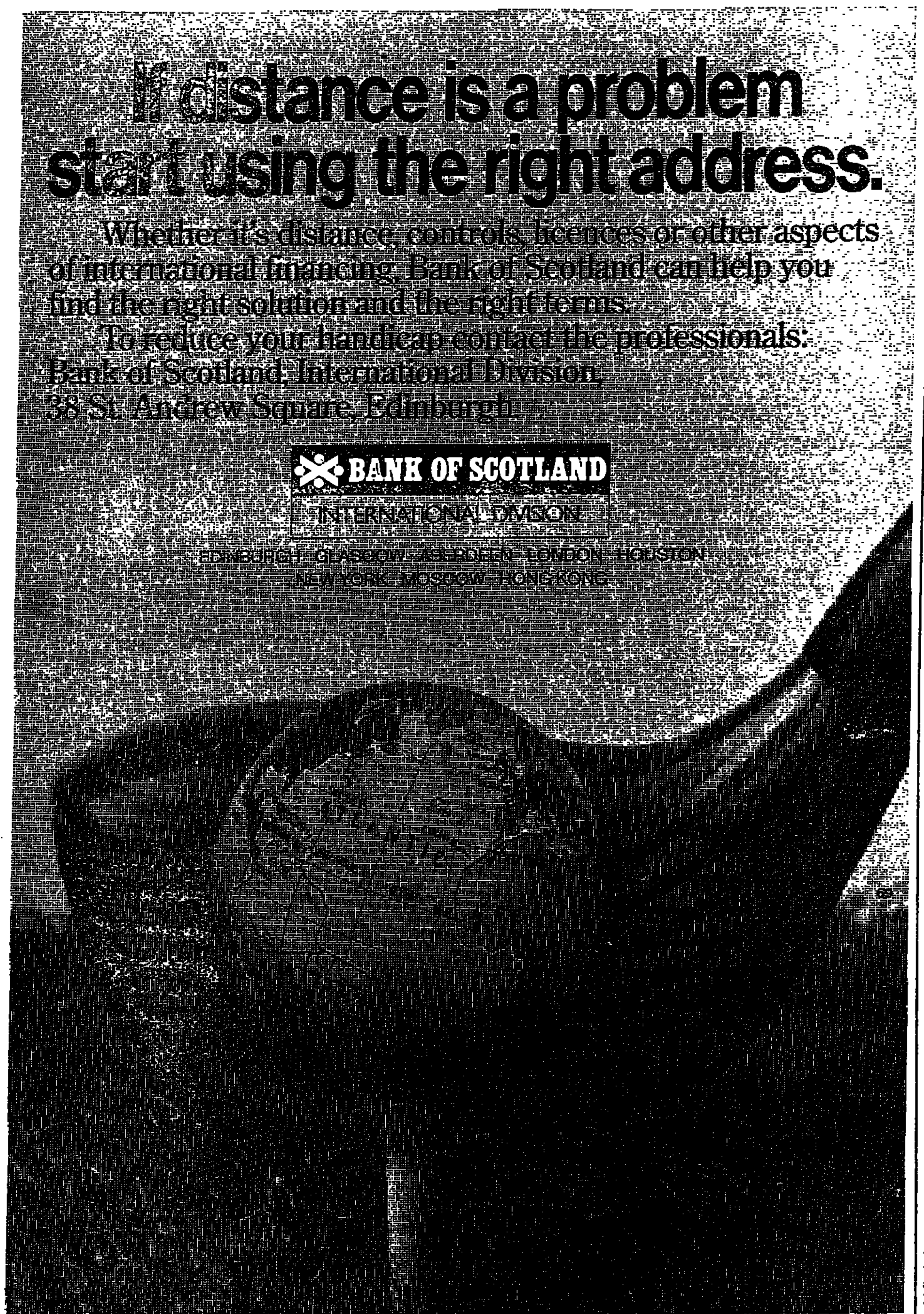
What does Edinburgh as a city get out of the festival? The answer is a great deal. In pure money terms, a survey by economists from Philadelphia in 1976 estimated that it brings £15m into the city in the form of tourist spending in hotels, shops and so on, and achieves world-wide publicity worth a further £2m. Coming at the end of the summer boom, the festival prolongs the tourist season into the middle of September.

But there is an equal benefit in sheer enjoyment. The citizens of Edinburgh buy around 30 per cent of the festival tickets every year and about the same proportion again goes to Scots from elsewhere. Visitors are in the minority.

Practically the whole city centre is given over to culture at some level or another for three weeks tevery year. The "official" festival occupies the main concert halls and theatres, but every school and church hall that is capable of holding an audience (and some that obviously are not) is commandeered by performers on the Fringe, an institution which began with the Festival itself in 1947.

Whereas the "official" festival prides itself on selecting artists and productions to the highest international standards, the Fringe prides itself on making no selection at all. Part of its continuing appeal is the uncertainty of whether a Fringe performance will contain one of tomorrow's giant talents or a dismal bunch of amateurs blinded by the footlights.

Zubin Mehta (above), Dame Janet Baker and Riccardo Muti (below), will be appearing at this year's festival, to be held between August 17 and September 6



COMPANY PROFILE

Pointing ideas the right way

Peter de Vink

AS A financial and business centre, there are few places outside London to rival Edinburgh. The city has a long tradition of expertise in banking, investment and insurance and many major Scottish companies are based there.

The past 10 years have seen a big influx of foreign and London banks and the growth of a number of home grown institutions to the point where several of them—notably Noble-Grossart and British Linen, both relatively new merchant banks—have ceased to regard themselves as Scottish and see themselves as British institutions which happen to be based in Edinburgh.

Yet despite the growing complexity of the financial scene in Edinburgh and the increasing sophistication in the range of services it can offer, the city is still small enough for everyone to know everyone else. Instead of dispersing miles into the suburbs at the end of each working day, people mostly live and work in the same fairly compact area, so social and business contacts overlap.

Personal contacts count for a lot and a man who makes friends easily and who is a good talker and listener finds himself with a lot of business propositions.

Such a man is Peter de Vink, an affable, gregarious Dutchman who came to Edinburgh in 1963 to study at Edinburgh University and has stayed. After 12 years with Ivory and Sime, one of the largest of the fund management companies, latterly as a director, he set up his own company, Edinburgh Financial and General Holdings, in October 1978.

Mr. de Vink describes himself as a "financial engineer" and, although EFGH aims to provide a range of financial and corporate advisory services, what he enjoys most is being able to bring people or companies with ideas together with other individuals or companies which have the resources to make them work.

This side of his interests grew while he was still at Ivory and Sime and involved in setting up new funds to take advantage of the growing number of investment opportunities in the oil and gas industries. On a number of occasions he was able to use his contacts in Scotland and Holland to set projects going.

One of the most successful resulted from a film he was shown by the Dutch marine engineering group IHC on the design and development of a technologically advanced dynamically-positioned drillship. The film so impressed him that he showed it to Ben Line Steamers, an Edinburgh shipping company that was looking for an entry into the offshore market.

Ben Line, through its newly created subsidiary, Ben Line Offshore Contractors, decided to order one of the ships and had it built by Scott Lithgow on the Lower Clyde.

The deal brought wide benefits. Ben Line and its partners in the drilling subsidiary now have one of the most advanced vessels of its kind in the world and Scott Lithgow acquired expertise which it has been able to exploit in building a second drillship and a seabed operations vessel for the Navy.

On another occasion, chance brought Mr. de Vink into contact with the de Groot construction group of Holland, which wanted to move into the construction of large oil production platforms. He suggested a joint venture with the British Steel Corporation subsidiary, Redpath Dorman Long, which had a loss-making platform yard at Methil, Fife.

The result was the Anglo-Dutch joint venture, Redpath de Groot Caledonian, which took over the yard when it was on the point of closure. New orders were won and, after a difficult first year, the yard looks like breaking even at the end of its second and is well placed to win one of the major orders for production platforms that will be awarded over the next few months.

No payment

While Ivory and Sime looked benignly on Mr. de Vink's role in these deals, the company would accept no payment for his services, not wanting to be drawn away from its strict role as an investment manager. Mr. de Vink says now: "With the head one knew the firm was right to avoid anything that could lead to a conflict of interests, but in the heart one could not help feeling a little chagrin, having put in so much work."

His solution was to found—with his former employers' blessing—EFGH. He retains directorships of some of the funds he was active in managing, North Sea Assets, Viking Resources Trust, and some of the companies he helped to bring into being, Ben Line Offshore Contractors and Redpath de Groot Caledonian.

The first 16 months of the new firm's existence have been hectic. Old contacts have been renewed. Last year he brought together Ben Line and another Edinburgh firm, Liquid Gas Equipment to work on a project which would involve building a gas processing plant on two redundant supertankers and this year he was involved again with Ben Line when he arranged the purchase of an £8m drill ship from the Houston-based drilling company, Atwood Oceanics.

And there have been new contacts—the placing of 1.35m shares in the rapidly growing Scottish exhaust and tyre services company Kwik-Fit with Atlantic Assets, another Ivory and Sime managed trust and the putting together of a financial package to enable Peck House Investments, a new Yorkshire company, to resurrect a TV rental and consumer credit business that had fallen into receivership.

Mr. de Vink is convinced that there will be a growing demand for his sort of service, despite the apparent difficulties of the Scottish economy. There are any number of interesting and resourceful companies and businessmen working away out of the public eye and plenty of money available to back sound projects with the potential for growth.

"Many of those whose job it is to manage funds are dreadfully disillusioned by the performance of the stock market. They are only too willing to back good small companies with a successful track record," he adds.

EFGH has expanded since Mr. de Vink started it alone, he now has non-executive directors to advise him, including David Mowatt, secretary of the Edinburgh Chamber of Commerce, and Ronnie McNeill, one of the fonders of the merchant bank McNeill Pearson. But, even working what he claims is a regular 14-hour day, he cannot keep up with the business on offer and is looking for a second full-time executive with corporate finance experience. "One gets shown so many opportunities, but alone, one cannot tackle them all."

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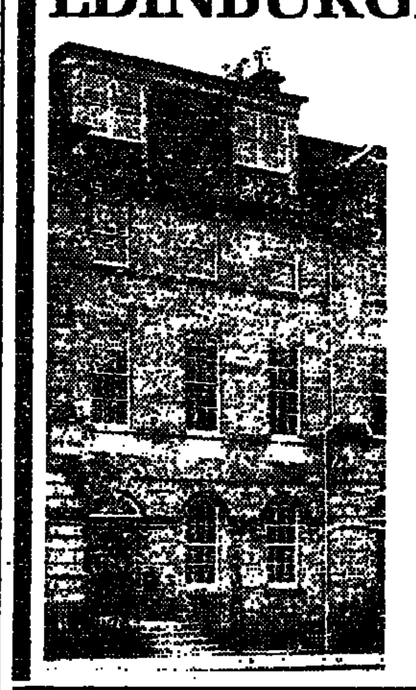

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COMMODITIES AND AGRICULTURE

Danish plea for farm loan relief

By Hilary Barnes in Copenhagen

DANISH FARMERS are threatening a production and delivery strike from March 26 unless the Government puts forward satisfactory proposals for the relief of the industry's financial problems by then.

The strike call was made at a mass meeting attended by about 5,000 farmers in Herning, Jutland, yesterday under the auspices of a protest organisation called Agricultural Reform 1980.

Mr. H. A. O. Kjeldsen, president of the Agricultural Council (the umbrella organisation for the farmers officials organisations) called on the Government to agree to re-finance at lower interest rates about Kr 7.5bn (£600m) in loans taken up by farmers since 1974 to finance increased production.

The Government has already agreed to provide state guarantees for bank loans to enable about 2,000 of the worst hit farmers to raise additional loans, but the farmers are still negotiating with the Government for more far-reaching relief.

Interest rates on both long and short term loans today cost 19 to 20 per cent. This is one of the most serious problems faced by the farmers in addition to the fact that production costs over the past two years have risen considerably faster than producer prices.

In a television interview on Tuesday Minister of Agriculture Poul Dalsager agreed that the situation was so serious that many of the most productive farmers in the country were at risk. These are the young farmers who have invested heavily in new production apparatus since Denmark joined the EEC in 1972.

Moves to safeguard mackerel stocks

BY RICHARD MOONEY

MEASURES TO prevent the catching of immature mackerel off Britain's South-West coast will be imposed from Monday, Mr. Alick Buchanan-Smith, Minister of State for Fisheries, told the House of Commons yesterday.

Following dramatic catch increases in recent years, mackerel has become Britain's most important fish catch, in terms of both volume and value. Last year's catch was estimated at about 300,000 tonnes, more than 35 per cent of the total for all species, and most of these were caught in the South-Western approaches.

There has been widespread concern that this level of fishing could threaten the survival of mackerel stocks, especially as a large proportion of the fish caught are immature. There have been reports that large quantities of mackerel are dumped at sea because they are too small even for the factory vessels, mostly from Russia, which buy the fish at sea for processing into fish meal for animal feed.

Mr. Buchanan-Smith said the use of small-mesh nets and the highly "efficient" purse seine nets would be forbidden in a 4,000 square mile area off the west coast of Cornwall from March 17 until November 17. He said this step had been taken on the advice of international scientists who said it would increase the long term yield from the entire western stock, including the Minch Fishery.

The British Fishing Federation said this was a "sensible measure." British fishermen are expected to be barred from mackerel fishing in the area throughout the period in question but the restrictions could prevent the "worst excesses" of the foreign fishermen who will still have access to the mackerel grounds, a Federation spokesman said.

The mackerel tend to get larger through the summer but the ban may prevent too many smaller fish being taken during the early part of the season when the fishery is re-opened to the British next autumn, he added.

● Mr. Peter Walker, Minister of Agriculture and Fisheries, is due to make a statement to the House on fisheries today when he is expected to announce financial aids for Britain's hard-pressed fishing industry. But fishermen are not optimistic about the scale of the aid to be offered. "It will probably be too little and too late," the BFF spokesman said.

There is also a suspicion that the money is to be offered as "window-dressing" ahead of Mrs. Thatcher's visit to Hull tomorrow.

Wool dispute for arbitration

MELBOURNE — The nine-week-old strike by wool industry storemen will go back to the Arbitration Commission, but no date has yet been set, chairman of the Australian Wool Selling Brokers Employers Federation, Mr. R. J. Chappel, said.

He said the commission's president Mr. John Moore had announced his intention to call a compulsory conference of the parties at an early date.

Meanwhile the woolbrokers would defer any discussions with the Australian Council of Trade Unions (ACTU), pending the Canberra conference, Mr. Chappel said.

Federal secretary of the storemen and packers' union Mr. Simon Crean was not immediately available for comment.

A meeting of the National Joint Wool Selling Organisation in Sydney yesterday adjourned without setting a date for resumption of woolsales.

In Brisbane, Woolselling Brokers' Association secretary Mr. K. McDonald said next week's scheduled Brisbane sale had been abandoned.

Meanwhile, the National Farmers Federation has been working on a plan to get Australia's wool exports moving again. President Don Eckersley said woolgrowers planned to become directly involved in the marketing, handling and transportation of wool.

The plans in hand would make sure that the striking Federated Storemen and Packers Union would no longer dictate to the wool industry, he said.

But the Australian Industrial Relations Minister Tony Street dismissed woolgrowers plans as unrealistic. Mr. Street said the Australian Cabinet has not made any decisions on the dispute, but remains ready to support deregistration proceedings or other action against the storemen and packers union.

Vice-chairman of the South East Queensland Graziers' Association, Mr. Ian McMaster called on the government yesterday to declare a state of emergency in the wool industry and get wool moving out of Australia.

On plans for growers to ship wool themselves, Mr. McMaster said his organisation had 300 volunteers at the moment standing ready, and there were six primary producer organisations in Queensland who would no doubt field as many. He said clashes with unionists could be avoided.

Profit-taking curbs sugar prices

THE WORLD sugar market continued its uncertain mood yesterday with sharp early gains being virtually wiped out by the end of the day.

In the morning the London daily raw sugar price was marked up £15 to £220 a tonne and the May position on the London futures market gained another £22 in follow-through buying from Tuesday afternoon's rise. But the upward movement was not maintained and the May price ended the day only £3.025 up at £226.275 a tonne. Dealers said the fall was prompted by profit-taking sales and was later encouraged by relatively low priced physical sales to Middle Eastern countries and Pakistan.

In Brussels the EEC authorised 57,250 tonnes of white sugar for export with a maximum rebate of 11.701 European currency units at its weekly tender. Last week only 1,000 tonnes was authorised and the rebate was set at 4.138 ECUs.

Dealers said this week's rebate equated to an fob price of $505 a tonne which appeared cheap compared with a Paris May futures price of around $520 a tonne.

In Washington the House of Representatives has approved a Bill to implement the International Sugar Agreement. Now the Bill must be passed by the Senate before it can be sent for the President's signature and the U.S. can participate fully.

The Bill authorises the President to limit imports of sugar from countries which are not members of the Agreement, to require members sending sugar to the U.S. to show documentation proving that they have contributed to an international stockpile fund and to make certain record-keeping rules.

The pact was negotiated in 1977 but the U.S. had been prevented from passing legislation enabling it to play a full part because of the need to pass domestic sugar legislation first.

Base metals rally

BASE metal prices rallied again on the London Metal Exchange yesterday recovering some of the heavy losses suffered on Monday. The upturn was encouraged by the rise in precious metals, led by gold, and the feeling that Monday's selling may have been overdone. Copper cash wirebars closed £36 up at £1,075 a tonne and moved further ahead in late kerb dealings. This followed a firmer trend in the New York market overnight and moves by U.S. producers to raise their domestic copper selling prices by 5 cents to $1.10 a lb.

Cash tin gained £100 to £7,995 a tonne, in spite of a huge fall in the Penang market overnight of M$81. This cut the Straits tin price to M$2,320 a picul (133.3 lbs) compared with an all-time peak of M$2,471 less than a week ago.

Reuter reported that the International Tin Council meetings in London has deferred until today consideration of a producers' proposal for an increase in the International Tin Agreement price range. This is expected to meet strong opposition from some consuming countries, who do not consider an increase is justified at this stage. Bolivia yesterday reiterated its opposition to any sales of surplus stockpile tin by the U.S. But these are likely to go ahead in July, and meanwhile the Council will have to work out how to deal with the 5,000 tons offered by the U.S. as its voluntary contribution to the buffer stock.

Soviet grain surplus forecast by FAO

NEW DELHI — In spite of the U.S. grain embargo, the Soviet union will still have a small grain surplus this year, Edouard Saouma, director-general of the UN Food and Agriculture Organisation (FAO) claimed.

"Food should be used as a weapon but as a weapon against hunger," Mr. Saouma added.

He said the Soviet shortfall in grain production was about 50m tonnes. But existing reserves, imports from the U.S. arranged prior to the embargo and purchases from Canada and Argentina would give Russia a surplus of about 18m tonnes.

Mr. Saouma said his information was based on figures provided by Soviet Officials.

He said that the Soviet Union needs 212m tonnes to meet its needs—42m tonnes for direct human consumption, 120m for livestock and 50m for industrial uses.

Mr. Saouma said the proposed world food security system did not get much support from representatives of rich countries at the three-day conference here, attended by 154 delegates from 24 nations.

He said that the world food security plan, approved by the U.N. general assembly last year, includes the following points:

● Each country must have stocks or supluses equal to 18 per cent of its total consumption of cereals.

● Developing countries need assistance from richer nations not only for imports at concessional rates but also of grants when they are crippled by natural calamities such as floods and droughts.

Meanwhile in Washington shortages of grain and other agricultural products throughout the world in the 1980s were predicted by James Starkey, U.S. Under-Secretary of Agriculture for International Affairs.

At a meeting of state agriculture commissioners, he said there will be a tendency for nations to use food as a weapon if tight supplies develop. But he added that food should be used for foreign policy considerations only in exceptional circumstances, such as the USSR invasion of Afghanistan.

Mr. Starkey claimed U.S. agricultural exports will continue to rise as a result of more sales to such nations as South Korea, Taiwan, Mexico, Brazil, East European countries and China.

● Brazil bought 96,000 tonnes of U.S. wheat for May shipment at tender, the Wheat Board said. Brazil plans to tender next to buy an unspecified amount of any origin wheat for May/June/July shipment on March 18.

Commission warning to UK farmers

By John Cherrington, Agriculture Correspondent

A WARNING that British farmers should no longer expect that the Green Pound will offer in the future the rapid price increases that it has offered in the past, was given by Mr. Graham Meadows adviser to EEC Commissioner Finn Gundelach, when he addressed a conference at the National Agricultural Centre yesterday.

Farmers must now learn to live largely within the means provided by the unit of account price increases, he said. The farmer becomes more dependent on these prices under a policy of price moderation which will continue because of chronic surplus levels in several markets.

Mr. Meadows advised UK farmers that their best approach would be to try to meet problems as and when they arose in a piecemeal manner. In a Community which is built on compromise this would always lead to having to make do with measures that suited someone else better. It must therefore be accompanied by some medium-term political strategy worked out on as wide a basis as was possible, with all interests concerned included, even the trade unions.

Mr. Meadows did not think that there was any real difference between a redundant steel-worker or a redundant farmer if it did not suit the overall economic strategy of the EEC.

Volatile coffee prices forecast

ROME—World coffee production during the 1979-80 crop year is forecast to rise only by about 2.7 per cent to 4.85m tonnes, and with such tight supply, prices are likely to remain volatile, the UN Food and Agriculture Organisation, FAO, said.

The forecast was made in FAO's annual Commodity Review and Outlook, out yesterday and based on information available up until December. Reuter

Cocoa market confused

BY JOHN EDWARDS, COMMODITIES EDITOR

CONFUSION reigned in the cocoa market yesterday when Brazil denied that it had suspended exports of cocoa beans and products.

The foreign trade department of the Banco do Brasil, which controls the country's cocoa exports, said it was prepared to consider selling at or above the minimum price of 137 cents a lb (equal to 150 cents a lb cif Europe) set on March 3.

It admitted, however, that there was unlikely to be many buyers at that level, bearing in mind that the world market price is much lower. Brazil, like other producers, is believed to be waiting to see what happens at the talks going on in London this week to renegotiate the International Cocoa Agreement that expires at the end of this month.

So far, according to the chairman of the cocoa conference, little progress has been made at the talks. Producing countries have stuck by their proposal that there should be a minimum price of 120 cents a pound.

This was rejected by consumers in November, who suggested a "floor" of 100 cents at that time. Yesterday talks broke down in the morning when producers said there was little point in discussing consumer proposals without knowing what price levels consumers would agree.

At the end of this week the International Cocoa Council will meet to decide whether it is worth holding another negotiating conference or whether to extend the current agreement again. It is thought some producers might press for the Agreement to be discontinued so that the buffer stock funds of over $200m becomes available for market support operations like the Bogota Fund for coffee.

However, in spite of constant reports of cocoa stockpiling by producers to raise market prices, it is far from certain that all producing countries would agree to use the accumulated buffer stock fund for this

UK animal feed output up

UK PRODUCTION of compound animal feed reached a record level last year. Statistics compiled by the UK Agricultural Supply Trade Association (UKASTA) show that production rose 6.1 per cent to 11,643,000 tonnes in 1979.

BRITISH COMMODITY MARKETS

BASE METALS

COPPER—Moved ahead strongly on the London Metal Exchange. The steadier trend in precious metals coupled with the late rise on Comex the previous evening encouraged good demand for forward metal which moved up to £1,075 during the morning. In the afternoon a strong opening on Comex prompted further buying in London and forward metal rose to the day's high of £1,095 before reacting on profit-taking to close the late kerb at £1,082. Turnover 26,200 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Wirebars				
Cash	1079-.80	+36.2	1047-6	+38
3 months	1088-90	+36.5	1086-7	+36
Settlem't	1080	+36.5	—	......
Cathodes				
Cash	1048-9	+43	1035-40	+33.5
3 months	1071-2	+39.5	1056-62	+36
Settlem't	1049	+45	—	......
U.S. Prod	—	......	*98.5	—115

Amalgamated Metal Trading reported that in the morning cash wirebars traded at £1078, 79, 80, 79, three months £1072, 73, 75, 76, 79, 80, 79, 80, 78, 77, 75, 76, 77, 80, 82, 84, 85, 86, 88, 89, 90. Cathodes cash £1045, 46, 47. Kerbs wirebars, three months £1092, 93, 94, 93, 92, 93, 94, 95, 94. Afternoon Wirebars, three months £1089, 88, 87, 86, 85, 84, 83, 82, 81, 82, 83, 82, 81, 80, 79, 78, 85, 84, 85, 87, 88, 86, 85, 84, 85, 86, 87. Cathodes, three months £1063. Kerb: Wirebars, three months £1083, 82, 81, 80, 81, 82, 81, 80, 79, 78, 79, 80, 83, 81, 80.

TIN—Gained ground throughout the day despite a sharp decline at Penang. Forward metal opened at £7,890 and moved up to £7,950 in the morning following good covering against U.S. physical demand. In the afternoon the price gained further ground, reflecting renewed U.S. interest, the strength of other metals and fresh buying, to close the late kerb at £8,040. Turnover: 3,655 tonnes.

TIN	a.m. Official	+ or —	p.m. Unofficial	+ or —
High Grade	£	£	£	£
Cash	7950-5	+205	7990-800	+100
3 months	7940-50	+147	7990-5	+97.5
Settlem't	7755	+205	—	......
Standard				
Cash	7950-5	+205	7990-800	+100
3 months	7940-50	+147	7990-5	+97.5
Settlem't	7755	+205	—	......
Straits E.	$2520	—81		......
NewYork	—	......		......

Morning: Standard, cash £7950, three months £7950, 40. Kerb: Standard, three months £7960, 45, 55, 60. Afternoon: Standard, three months £7990, 8000, 7995. Kerb: Standard, three months £8000, 05, 10, 20, 40, 30, 40, 50, 40.

LEAD—Moved ahead following fresh buying inspired by the firmness of copper which more than offset modest trade selling. Forward metal rose to £470.5 during the morning but eased back in the afternoon to close the late kerb at £468. Turnover: 8,800 tonnes.

LEAD	a.m. Official	+ or —	p.m. Unofficial	+ or —
	£	£	£	£
Cash	508-10	+26.5	491-3	+8
3 months	470-1	+21	468-9	+5
S'ment	510	+25	—	......
U.S. Spot	—	......	*50	......

Morning: Cash £500, 15, 12, 11, 10, three months £462, 67, 68, 70, 69, 67, 68, 69, 70, 72, 71. Kerb: Three months, £471, 70. Afternoon: Cash £493, 91, late May £471, 70, three months £469, 68, 67, 68. Kerb: Three months, £469, 68.

ZINC—Marginally firmer in subdued trading with forward metal finally quoted at £347.5 after touching £350.5 during the morning rings. Turnover: 17,500 tonnes.

ZINC	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Cash	340-2	+17.5	341-2	+4
3 months	349-50	+14	349-.5	+3.5
S'ment	342	+18	—	......
Primw'ts	—	......	*39.5	......

Morning: Three months, £351, 50, 49, 48, 50, 51, 50. Kerb: Three months, £350, 51. Afternoon: Three months, £350, 48, 47, 48, 49, 49.5, 50. Kerb: Three months, £350, 48, 47.5, 48.

ALUMINIUM—Firmer again following good physical demand, which led to the establishment of a backwardation, and fresh buying interest. Forward metal opened around £820 and gradually moved up to touch £843 before easing to close the late kerb at £839. Turnover: 19,250 tonnes.

Alumin'm	a.m. Official	+ or —	p.m. Unoffic'l	+ or —
	£	£	£	£
Spot	838-9	+39.5	841-5	+35.5
3 months	833-4	+21	841-2	+26.5

Morning: Cash £839, three months £827, 28, 29, 28, 35, 33, 35, 34, 35, 36, 37, 36, 35, 34. Kerb: Three months, £834, 35, 36, 40, 39, 38. Afternoon: Three months, £840, 42, 41, 40, 41, 42, 41, 39, 40, 41. Kerb: Three months, £839, 38.

NICKEL—Slightly higher along with the trend in other metals. The market was quiet throughout the day with forward metal opening around the £3,170 mark, and thereafter easing back to close the late kerb at £3,145. Turnover: 210 tonnes.

NICKEL	a.m. Official	+ or —	p.m. Unoffici'l	+ or —
Spot	3030-40	+40	3040-50	+35
3 months	3155-60	+62.5	3150-60	+50

Morning: Three months £3150, 60, 55. Kerb: Three months £3155. Afternoon: Late April £3100, three months £3155. Kerb: Three months £3145.

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SILVER

Silver was fixed 60.6p an ounce higher for spot delivery in the London bullion market yesterday at £13.266. U.S. cent equivalents of the fixing levels were: spot $29.65, up $1.5; three-month $30.58, up $1.482; six-month $31.406, up $1.613; and 12-month $32.410, up $1.469. The metal opened at £13.2-13.55 ($29½-30¼) and closed at £13.5-13.85 ($30¼-31).

SILVER per troy oz.	Bullion fixing price	+ or —	L.M.E. p.m. Unoffic'l	+ or —
Spot	1326.6p	+60.6	1347.5p	+17.5
3 months	1368.10p	+60.6	1390p	+25
6 months	1404.55p	+67.0	—	......
12months	1452.70p	+60.2	—	......

LME—Turnover 268 (216) lots of 10,000 ozs. Morning: Three months 1395, 89, 80. Kerbs: Three months 1380, 85. Afternoon: Three months 1385, 90, 88, 90. Kerbs: Three months 1392, 90, 89, 90.

COCOA

During a day notable only for the lightness of the volume traded futures moved within a narrow range, closing marginally higher than Tuesday evening. Physicals reflected the almost total disinterest and were neglected by both consumer and trade sides of the market, reports Gill and Duffus.

COCOA	Yesterd'ys Close	+ or —	Business Done
March	1373-78	+2.5	1383-73
May	1411-12	+3.5	1417-04
July	1432-33	+10.0	1435-23
Sep	1449-51	+6.0	1455-45
Dec	1488-90	+3.0	1490-84
March	1510-20	+2.5	1510
May	1530-45	—2.5	—

Sales: 596 (1,338) lots of 10 tonnes.

International Cocoa Organisation (U.S. cents per pound). Daily price March 11: 140.80 (140.63); Indicator price March 12: 15-day average 142.00 (142.29); 22-day average 144.69 (145.08).

COFFEE

Robustas traded at unchanged levels and with further long liquidation an added depressant the market eased gradually during the opening call until trade buying promoted a minor recovery. The afternoon saw values move steadily ahead in mixed dealings although producer type involvement restricted dramatic gains, reports Drexel Burnham Lambert.

COFFEE	Yesterday's Close	+ or —	Business Done
	£ per tonne		
March	1631-32	+18.5	1637-14
May	1660-63	+17.5	1668-38
July	1684-85	+13.5	1693-65
Sept	1714-15	+18.0	1723-96
Nov	1702-06	+1	1720-00
January	1700-15	+6.5	1710
March	1660-75	+7.5	—

Sales: 5,466 (4,376) lots of 5 tonnes.

ICS Indicator prices for March 11 (cents per pound): Other Mild Arabicas 186.67 (187.67); Robustas ICA 1976 172.25 (173.25); ICA 1968 172.50 (173.50); Unwashed Arabicas 205.00 (204.00): Comp. daily ICA 1968 192.28 (192.53).

GRAINS

LONDON GRAIN FUTURES—The market opened higher on old crops but substantial commercial sellers appeared and despite spot interest values steadily lost ground. The lows of the day were registered during the afternoon session but there was some short-covering on the close where losses were trimmed to 20p-45p. New crops came under strong origin selling and closed 30p-40p lower, reports Acli.

Mnth	WHEAT Yest'rdays close	+ or —	BARLEY Yest'rday close	+ or —
Mar	93.40	−1.20	92.60	−0.40
May	96.25	−1.55	95.25	−0.45
Sept	94.00	−0.35	91.60	−0.40
Nov	98.00	−0.30	95.90	−0.35
Jan	101.90	−0.40	99.95	−0.30

Business done—Wheat: March 93.40-93.30, May 96.70-95.95, Sept. 94.10-94.05, Nov. 98.10-98.00, Jan. 102.20-101.90. Sales: 243 lots of 100 tonnes. Barley: March 92.50-92.50, May 95.75-94.95, Sept. 92.05-91.60, Nov. 96.00-95.90, Jan. no trade. Sales: 218 lots of 100 tonnes.

IMPORTED—Wheat: U.S. Dark Northern Spring No. 2 14 per cent March 99.00, April 97.75, May 97.25 transhipment East Coast. Maize: U.S./French March 116, April 117 transhipment East Coast: S. African Yellow April 75.50. Barley: English feed fob March 99.50, April 100.50, April-June 101 East Coast. Rest unquoted.

HGCA—Locational ex-farm spot prices. Other milling wheat: E. Midlands 95.60, N. East 96.00. Feed barley: E. Midlands 93.30, N. East 94.00.

WOOL FUTURES

LONDON NEW ZEALAND CROSSBREDS—Close (in order buyer, seller, business, sales). New Zealand cents per kilo. May 406, 410, 408, 1; Aug. 417, 419, 419-418, 8; Oct. 418, 420, 419, 1; Dec. 418, 420, nil, nil; Jan. 418, 422, nil, nil; March 423, 428, nil, nil; May 426, 433, nil, nil; Aug. 430, 437, nil, nil. Sales: 10.

SYDNEY GREASY WOOL—Close (in order buyer, seller, business, sales). Australian cents per pound. May 480.0, 488.0, 495.0-475.5, 21; May 489.0, 490.0, 490.0-485.0, 105; July 514.0 traded, 515.0-510.2, 217; Oct. 514.0, 515.0, 515.0-510.0, 140; Dec. 515.0, 516.0, 515.0-510.0, 127; March 518.0, 519.0, 519.0-513.0, 34; May 518.0 traded, 522.0-515.0, 13; July 522.0, 523.0, 524.0-515.0, 15. Sales: 672.

RUBBER

The London physical market opened with good demand throughout the day, closing on a quiet note. Lewis and Peat reported a Malaysian godown price of 321 (323 nom.) cents a kg (buyer, April).

No. 1 R.S.S.	Yest'rdays Close	Previous Close	Business Done
Apr	70.55-70.70	68.20-68.50	—
May	72.00-72.10	69.10-69.95	72.00-71.50
Apr-Jne	71.80-71.90	69.60-69.80	71.90-71.40
Jly-Sept	75.25-75.50	72.65-72.95	75.55-72.50
Oct-Dec	78.15-78.25	76.75-76.60	78.45-76.25
Jan-Mar	82.20-82.25	79.80-80.00	82.50-81.50
Apr-Jne	85.25-85.35	82.80-83.00	—
Jly-Sept	88.25-88.30	85.85-85.90	88.40-88.25
Oct-Dec	91.10-91.25	88.85-88.90	91.40-91.00

Sales: 846 (1,095) at 15 tonnes, 18 (38) at 5 tonnes.

Physical closing prices (buyer) were: Spot 69.50p (68.00p), April 71.00p (68.75p), May 73.00p (71.00p).

SOYABEAN MEAL

The London market opened with small losses. Trade buying kept prices steady throughout the day, particularly in the forward position, to close mixed, reports T. G. Roddick.

Sales: 127 (63) lots of 100 tonnes.

	Yest'rd'y Close	+ or —	Business Done
	£ per tonne		
April	109.50-09.7	−0.25	109.40-9.20
June	109.50-09.8	+0.05	109.50-9.00
August	110.70-11.0	−0.55	111.50
October	109.60-09.7	−0.60	110.00-09.50
December	112.80-13.1	−0.55	113.00
February	115.80-16.1	−0.50	—
April	117.50-18.5	−0.25	117.90

Sales: 127 (63) lots of 100 tonnes.

SUGAR

LONDON DAILY PRICE (new sugar): £220.00 (£205.00) a tonne cif for March-April shipment. White sugar daily price was £240.00 (£222.00).

Once again the market opened higher than overnight levels but failed to hold the gains. The decline accelerated later after a fall in New York and the market closed at the lows of the day some £16 below the best levels, reports C. Czarnikow.

Sugar Pref. Comm. Con.	Yest'rdays Close	Previous Close	Business Done
	£ per tonne		
March	210.00-215.0	205.00-210.0	220.00-15.00
May	226.05-226.5	221.50-224.0	246.50-25.00
Aug	239.60-240.0	255.60-255.7	259.50-35.50
Oct	250.00-251.0	244.40-244.0	267.00-42.00

NO. 4 CONTRACT—Close (in order buyer, seller only). May 228.00, 231.00; Aug. 243.50, 245.00; Oct. 253.00, 255.00; Jan. 255.00, 261.00; March 265.00, 269.00; May 265.00, 269.00. Sales: 283 (306).

Sales: 10,776 (10,061) lots of 50 tonnes.

Tate and Lyle ex-refinery price for granulated basis white sugar was £321.7 (same) a tonne for home trade and £305.00 (£289.00) for export.

International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for March 11: Daily price 19.04 (19.49); 15-day average 21.69 (21.89).

COTTON

LIVERPOOL—Spot and shipment sales amounted to 25 tonnes, bringing the total for the week so far to 695 tonnes. Cheapening raw material rates, although still at very high levels, restricted the offtake. Users were exceedingly cautious, keeping their needs down to very minor quantities, with American-type style in chief request.

GRIMSBY FISH—Supply moderate, demand good. Prices at ship's side (unprocessed) per stone: Shelf cod £4.40-£5.00, codlings £3.00-£4.00. Large haddock £3.70-£4.00, medium £3.30-£3.60, small £2.20-£2.60. Large plaice £2.00-£3.20, medium £3.00-£3.20, best small £3.00-£3.20. Skinned dogfish (medium) £11.00. Lemon soles (large) £10.50, medium £9.50. Saithe £2.00-£2.40.

PRICE CHANGES

In tonnes unless otherwise stated.

	Mar. 12 1980	+ or —	Month ago
Metals			
Aluminium	£810/815	....	£810/815
Free Mkt	$1800/1850	....	$2180/22
Copper			
Cash w'bar	£1,075	+36	£1,359
3 mths	£1,086.5	+36	£1,369.5
Cash Cathode	£1,037.5	+55.5	£1,297
3 mths	£1,060.5	+36	£1,327
Gold troy oz	$587.5	+19	$695
Lead cash	£492	+8	£508.5
3 mths	£468.5	+5	£491.75
Nickel	£3,535	....	£3,196.76
Freemkt(cif (lb	305/325c	−15	305/330c
Platin'mtr'y oz	£189.0	....	£189
Free mkt	£402.70	+18.85	£400.85
Quicksil'ver†	$395/405	+5	$395-405
Silver troy oz	1366.6p	+60.6	1683p
3 months	1362.10p	+60.6	1718.3p
Tin Cash	£7,995	+100	£7,295
3 mths	£7,999.5	+97.5	£7,408
Tungsten22.04lb	$158.76	....	$138.72
Wolfrm 22.04 lbs	$145/150	+2	$139/144
Zinc cash	£341.5	+4	£392.5
3 months	£349.25	+3.5	£404.25
Producers	$825	....	$786/826
Oils			
Coconut (Phil)	$780t	+10	$860
Groundnut	‡	....	‡
Linseed Crude	£456	−4	£446
Palm Malayan	$625r	−2.5	$680
Seeds			
Copra Philip	$510	....	$565
Soyabean(U.S.)	$277.20r	−1.8	$294
Grains			
Barley Futures	£95.25	−0.45	£100.25
Maize			
French No3AM	£116	....	£116.50
Wheat			
No. 1 Red Spg.	‡	....	‡
No2HardWint.	‡	....	£94.50
Eng. Milling‡	‡	....	‡
Other commodities			
Cocoa ship't	£1,433	+4	£1,552
Future May	£1,411.5	+3.5	£1,515.5
Coffee F't'r May	£1,661.5	+17.5	£1,492
Cotton A.Index	98c	−1.2	98.40c
Rubber (kilo)	69.50p	+1.5	90p
Sugar (Raw)	£220	+15	£280
Wooltp's 64s kl	305p kilo	....	292p kilo

s June. v May. t March-April. u April. w April/May. x July. z Indicator. § Buyer. † Per 76 lb flask.

MEAT/VEGETABLES

MEAT COMMISSION—Average fatstock prices at representative markets on March 12. GB cattle 81.59p per kg lw (+1.14). UK sheep 159.0p per kg est dcw (−0.6). GB pigs 67.6p per kg lw (+0.6).

SMITHFIELD—Pence per pound. Beef: Scottish killed sides 64.0 to 68.0; Eire hindquarters 76.0 to 78.0, forequarters 48.0 to 50.0. Veal: English fats 74.0 to 88.0, *English fats 88.0; Dutch hinds and ends 100.0 to 113.0, *Dutch hinds and ends 115.0. Lamb: English small 50.0 to 72.0, medium 60.0 to 68.0, heavy 46.0 to 64.0. Imported frozen: NZ PL 53.0 to 54.0, PM 51.0 to 52.0. Pork: English, under 100 lb 36.0 to 48.5, 100-120 lb 37.0 to 47.0, 120-160 lb 37.0 to 44.0. * Special quotations—very high quality produce in limited supply.

COVENT GARDEN—Prices in sterling per package except where otherwise stated: Imported Produce: Oranges—Spania: Navels 4.00-5.00; Jaffa: Shamouti 60/189s 4.20-5.45; Moroccan: 64/113s 4.00-4.20; Cypriot: Valencia Lates 4.00-4.20. Ortaniques—Jamaican: 54/126s 6.50-7.25. Satsumas—Spania: 95/189s 3.80-4.30. Wilkings—Spania: 4.00-6.00. Lemons—Italian: 100/150s 4.30-4.50; Cypriot: 15 kg 84/120s 3.40-4.30; Californian: 89/165s 4.80-6.00; S. African: 80/120s 5.20-5.80. Grapefruit—Cypriot: 20 kg 3.20-4.40; Jaffa: large boxes 32/88s 4.00-4.80; Florida: Pink flesh 36/48s 5.20-5.40. Apples—French: Golden Delicious, boxes 40 lb 138/175s 5.00-5.80, 20 lb 2.20-3.00; Granny Smith 20 lb 2.80-3.60, 40 lb 5.50-6.30. Starkcrimson, approx. 20 lb 72s 3.00; 40 lb 5.80-6.80; Italian: Granny Smith 20 lb, per pound 0.16-0.17, Jonathan 0.09½, Starking 0.10-0.14, Romes 0.10. Pineapples—Ivory Coast: each 12s 0.50-0.80, 6s 1.00-1.10; S. African: 6/9s 2.70-3.40. Bananas—Jamaican: 28 lb 0.17. Tomatoes—Canary: 4.50-6.00. Onions—Spanish: 4.50-5.80; Canadian: 50 lb 4.30. Lettuces—Dutch: 24s 1.80. Cucumbers—Canary: 14/18s 1.80-2.40; Dutch: 3.50. Capsicums—Canary: per approx. 6 kilos 5.40; Cuban: 4.50. Celery—Israeli: 20/28s 2.80-3.30; Spanish: 18/36s 3.00-3.60. Cauliflowers—French: 24s 5.50-6.00; Jersey: 5.00. Chicory—Belgian: 5 lb 1.60-1.80. Potatoes—Italian: boxes 20 lb 2.20; Egyptian: White 4.20, King Edward 4.60-4.70; Canary: 7.40. Dates—Tunisian: 30s per box 0.32-0.40.

English Produce: Potatoes—per bag 2.40-2.80. Mushrooms—per pound 0.60-0.65. Apples—per pound Bramley 0.09-0.16, Cox's Orange Pippin 0.13-0.20, Russets 0.11-0.12. Pears—per pound Conference 0.07-0.15, Comice 0.16-0.22. Swedes—per 25-28 lb 0.60-0.70. Turnips—per 28 lb 1.00. Sprouts—per pound 0.06-0.07. Carrots—per bag 0.60-1.20. Cabbages—per bag 0.80-0.90. Whites 1.30. Cucumbers—trays 16/20s 4.00-4.50. Tomatoes—per pound 0.60-0.70. Lettuces—per 12, round 0.80-1.00. Parsnips—per 28 lb 0.80-1.00. Rhubarb per pound forced 0.15-0.16, indoor 0.14. Onions—per bag 3.30-3.80. Beetroots—round, per bag 1.20, long 1.40.

AMERICAN MARKETS

NEW YORK, March 12.

GOLD ADVANCED on dealer and commission house buying encouraged by the growing belief that Carter's anti-inflation package will be ineffective. Silver was slightly higher in the spot month, and copper closed lower on trade selling. Coffee was higher on light commission house buying while cocoa was lower on a general lack of buying interest. Sugar was limit down on the lack of trade support and commission house liquidation. The livestock complex was mixed with pork bellies showing sharp gains on short-covering and trade buying. The grain and soyabean complex was mixed, reported Heinold.

Copper—March 98.50 (101.20), April 99.00 (102.00), May 100.50-101.00, July 103.00-103.90, Sept. 105.00, Dec. 107.10-108.00, Jan. 108.80, March 110.00, May 111.20, July 110.50-111.00, Sept. 113.60, Dec. 115.40, Jan. 116.00. Sales: 11,000.

*Platinum—825.0-826.0 (873.6), April 840.1 (880.1), May unquoted, July 871.5, Oct. 913.5, Jan. 948.5, April 989.5, May unquoted. Sales: 3,492.

Potatoes (round whites)—April 46.0-46.8 (46.4), May 55.5-56.5 (56.3), Nov. 73.5-73.9. Sales: 662.

*Silver—March 2920.0-2970.0 (2910.0), April 3162.0, May 3205.0, July 3275.0, Sept. 3347.0, Dec. 3427.0, Jan. 3454.0, March 3508.0, May 3562.0, July 3616.0, Sept. 3670.0, Dec. 3740.0, Jan. 3764.0. Sales: 1,600. Handy and Harman bullion spot 3060.00 (2950.00).

Sugar—No. 11: May 20.20-20.30 (21.89), July 22.57 (23.57), Sept. 23.60, Oct. 24.09, Jan. 24.55, March 25.08, May 25.00, July 25.15. Sales: 17,727.

Tin—845.00-851.00 asked (825.00-845.00).

CHICAGO, March 12

Lard—Chicago loose 19.50 (same). New York prime steam unavailable.

Live Cattle—April 68.37-68.50 (68.65), June 70.80-71.00 (70.80), Aug. 70.75-70.80, Oct. 69.60-69.70, Dec. 70.90, Jan. 71.30, Feb. 71.45.

Live Hogs—April 35.95-36.00 (36.02), June 40.70-40.90 (40.62), July 41.97-41.95, Aug. 41.35-41.50, Oct. 41.00, Dec. 43.95, Feb. 46.00, April 45.00, June 46.40.

‡‡Maize—March 262¼-262½ (260¼), May 272¼-273½ (271), July 286-285¾, Sept 296½-297, Dec. 306¼-307¼, March 320-320¼.

Pork Bellies—March 41.30-41.60 (40.12), May 43.00-42.80 (41.55), July 44.25-44.40, Aug. 43.00-43.25, Feb. 53.35, March 53.65, May 54.65, July —, Aug —.

Silver—March 2945.0 (2950.0), April 2975.0 (2980.0), June 3215.0, Aug. 3275.0, Oct. 3335.0, Dec. 3390.0, Feb. 3450.0, April 3515.0, June 3570.0, Aug. 3630.0, Oct. 3690.0, Dec. 3750.0, Feb. 3810.0, April 3870.0, June 3930.0, Aug. 3990.0.

†Soyabeans—March 625 (619), May 645-640 (639¼), July 668-667, Aug. 677½, Sept. 685, Nov. 698½-698, Jan. 716, March 735.

Soyabean Meal—March 170.00-169.70 (168.90), May 176.60-176.80 (175.80), July 183.70-183.50, Aug. 186.50-186.60, Sept 189.50-190.00, Oct. 192.20-192.50, Dec 195.70-195.50, Jan. 198.00-198.30, March 203.50-203.50.

Soyabean Oil—March 22.45 (22.20), May 22.88-22.85 (22.61), July 23.40, Aug 23.70, Sept. 24.00, Oct. 24.25, Dec. 24.60-24.65, Jan. 24.75, March 25.00, May 25.40-25.50.

†Wheat—March 429-429½ (429¼), May 438-439½ (439¼), July 444-445, Sept. 456½, Dec. 472½-472, March 485½.

WINNIPEG, March 12—March 111.70 (111.20), May 114.50 (114.00), July 117.50, Oct 114.60, Dec 114.40.

§Wheat—SCWRS 13.5 per cent protein content cif St. Lawrence 220.50 (220.50).

All cents per pound ex-warehouse unless otherwise stated. * $ per troy ounce. * Cents per troy ounce. ‡‡ Cents per 56-lb bushel. † Cents per 60-lb bushel. || $ per short ton (2,000 lbs). § $Can. per metric ton. §§ $ per 1,000 sq. feet. ‡ Cents per dozen.

EUROPEAN MARKETS

ROTTERDAM, March 12.

Wheat—U.S. No. 2 Red Winter, May $195, June $191, July $190, Aug. $193. U.S. No. 2 Northern Spring, 14 per cent, March $202, April $199, May $197, June $198.50. Rest unquoted.

Maize—U.S. No. 3 Corn Yellow afloat $132, March $131, April $132, May $134, June $136.50, July-Sept. $140, Oct.-Dec. $145, Jan.-March $153.

Soyabeans—U.S. Two Yellow Gulfports April $262.25, May $265, Nov. $281.90 traded, afloat $262, March $259.25, April $262.75, May $265, June $270.75, July $273.50, Aug. $278.75, Sept. $280.25, Oct. $282.50, Nov. $282.50, Dec. $288.75, Jan. $292.50, Feb. $298.75, March $301 sellers.

Soyameal—44 per cent protein U.S. afloat $226, March $226, April-May $225.50, April-Sept. $230, Nov.-March $249. Brazil Pellets March $234.50, April-May $231, April-Sept $237.

PARIS, March 12.

Cocoa (FFr per 100 kilos)—March 1385-1304, May 1303-1310, July 1320, Sept. 1351-1365, Dec. 1351-1365, March 1370-1380. Sales at call 1.

Sugar (FFr per 100 kilos)—May 2126-2128, July 2140-2170, Aug. 2185-2190, Oct. 2245-2255, Nov. 2245, Dec. 2200-2350, March 2330-2390, May 2360-2440. Sales at call 25.

INDICES

FINANCIAL TIMES

Mar. 11	Mar. 10	M'nth ago	Year ago
294.25	294.59	313.41	270.45

(Base: July 1, 1952=100)

MOODY'S

Mar. 11	Mar. 10	M'nth ago	Year ago
1310.4	1380.5	1497.0	1054.2

(December 31, 1931=100)

DOW JONES

Dow Jones	Mar 11	Mar. 10	Month ago	Year ago
Spot	421.75	414.29	463.78	380.10
F'tur's	440.04	443.46	467.33	385.55

(Average 1924-25-26=100)

REUTERS

Mar. 12	Mar. 11	M'nth ago	Year ago
1756.8	1738.0	1853.3	1541.3

(Base: September 18, 1931=100)

LONDON STOCK EXCHANGE

Equities turn nervous ahead of Monday's settlement
30-share index falls 10.7 to 444.9—SA Golds recover

Account Dealing Dates
Options

*First Dealings	Declara-tions	Last Dealings	Account Day
Feb. 25	Mar. 6	Mar. 7	Mar. 17
Mar. 10	Mar. 20	Mar. 21	Mar. 31
Mar. 24	Apr. 10	Apr. 11	Apr. 21

* "New time" dealings may take place from 9 a.m. two business days earlier.

It was the turn of leading equities yesterday to show nervousness as the market in South African Gold shares regained some composure after Tuesday's tumble. Leading shares gave no indication at the opening of the weakness to follow, although selling of selective top-quality stocks from a broking house bearish about the market's short-term prospects had caused values to ease slightly.

Acute disappointment with **Turner and Newall's** annual profits of £27¾m compared with forecasts ranging from £33m to £38m accelerated the downturn; and the gloom deepened progressively as the market showed no signs of a rally. The only solid reason to emerge *to account for* the sudden collapse of confidence was talk of some concern about next Monday's settlement following the recent sharp losses sustained in secondary oils and Australian exploration issues.

Not unnaturally, potential buyers went to ground and the ICI chairman's forecast of negative UK growth this year put a further strain on sentiment. Some leading Industrials tried to pull away from the lowest in the late trade but the FT 30-share index, which had registered a loss of only 0.1 at 10.00 am, closed 10.7 down at 444.9, its lowest for eight weeks.

Yesterday's rally in the gold price triggered revived overseas and local interest in South African producers of the metal. Although best levels were not always held, selected heavier-priced stocks regained as much as 1¾ points of the previous three-day slide which had taken the FT Gold Mines index down 70.7 points; yesterday, it regained 12.2 to 310.8.

With the continuing strong demand for bank credit countering last month's slowing in monetary growth, Government securities remained in a pre-Budget vacuum and drifted a shade easier during a slow trade. Longer-dated issues generally *closed about* ¼ off, while the shorts were often ⅛ cheaper.

Activity in Traded options remained relatively subdued with 540 contracts completed. This compares with the previous day's 494 and last week's daily average of 772. The lion's share of yesterday's business was transacted in **Racal** which attracted 218 trades.

Antony Gibbs firm

Antony Gibbs hardened 2 to 84p in merchant banks on hopes *of early news of the Hongkong* and Shanghai bid approach. **Corinthian** eased 2 to 30p and **Clive** remained friendless at 47p, down a penny, in Discounts. The major clearers drifted lower for want of interest with **Midland** 4 off at 332p ahead of tomorrow's preliminary results. **Lloyds** also relinquished 4 to 282p, and **NatWest** dipped a couple of pence to 324p. Hire Purchases trended lower, **UDT** cheapening a penny to 54p and **Lloyds and Scottish** 2 to 126p.

Britannic touched 182p before closing a net 2 better on balance at 180p following the slightly better-than-expected annual results. Elsewhere in Insurances, **Sedgwick Forbes**, at 95p, gave up half of the previous day's rise of 4 following comment on the results. **GRE** lost 4 to 236p.

Fresh speculative interest was shown in **Montague L. Meyer** which opened lower at 117p and moved up to 122p before settling at 119p for a fall of a penny. **J. O. Walker**, in which Montague L. Meyer has an interest, came to life and moved ahead strongly to close 14 higher at 118p. Elsewhere in Timbers, **Magnet and Southerns** rose 5 to 175p. The trend in other Building issues was usually to lower levels, falls of 4 being recorded in **Blue Circle**, 304p, **Tarmac**, 219p, and **Norwest Holst**, 132p. **Cement-Roadstone**, however, continued to respond to the preliminary figures and rose 2 more to 84p.

Among Chemicals, **ICI**, down 8 at 362p, failed to find any encouragement from the full report.

Woolworth pleases

The volume of business in Stores improved considerably yesterday helped by the better-than-expected preliminary results from Woolworth and a large share-placing in Sears. **Woolworth** closed a penny better at 69½p, after 70½p, following the surprisingly good figures. **Sears** softened 1¼ to 37¼p: 24m shares in the company have been placed through the market since Tuesday at a price of around 37½p per share with the Clore family believed to be sellers of part of the stock. Elsewhere, the liquidation of speculative positions on the absence of bid developments clipped 6 from **Peters** at 64p, while **Maple** shed 2 to 27½p on reports that the recent 30p per share bid from an, as yet, unnamed concern, has been called off. **Debenhams**, however, rose 2 to 88p on prevailing bid hopes and **Bakers Household** hardened 3 to 102p following the chairman's statement at the AGM. **J. Hepworth** were marked down 4 to 69p on the late announcement that the company is bidding 87½p per share for **W. and E. Turner** in which dealings were suspended at 48p on Monday: trade in the latter is expected to resume today. Among Shoes, **Stylo** fell 10 to 160p.

Racal eased to 205p before recovering to close only a penny lower on the day at 208p. Among the other Electrical leaders, **GEC** gave up 5 to 369p and **Plessey** 3 to 140p. Elsewhere, **Louis Newmark** remained on offer and gave up 10 to 320p. **Ferranti** eased 7 to 488p, but **Dubilier** continued to benefit from news of the U.S. acquisition and hardened 1½ more to 43p. Speculative demand left **Muirhead** 2 firmer at 192p, after 196p, while **BSR** ended a penny up at 34p on preliminary results a little better than expected.

The absence of any early news on the steel strike talks tended to weigh on sentiment in the Engineering leaders which followed the general downward trend. **Tubes** gave up 8 to 236p, while falls of around 5 were marked against **GKN**, 270p, and **Hawker**, 172p. **John Brown** eased 3 to 53p. Once again, the odd changes in secondary issues were limited to a few pence either way. **Thomas Robinson** responded to the annual results with an improvement of 2 to 74p. Occasional buying lifted **RHP** 3 to 94p and **Prestwich Parker** 2 to 23p. On the other hand, **Amalgamated Power** eased a few pence more to 90p, while **Davy Corporation** shed 3 to 89p and **Deritend** a similar amount to 149p.

In leading Foods, **Tate and Lyle** fell 4 to 140p, as did **Associated Dairies**, to 180p, while **Cadbury Schweppes**, annual results tomorrow, lost the turn to 62p and **Unigate** shed 3 to 120p. **Northern**, 128p, **Kwik-Save**, 88p, and **Fitch Lovell**, 77p, all shed 2. **British Sugar**, firm of late on bid hopes following S. and W. Berisford acquisition of a 10 per cent stake, met profit-taking and slipped 5 to 165p, while speculative support was also withdrawn from **Bernard Matthews** which closed 10 lower at 290p.

Turner and Newall fall

In gently easier Hotels, **Trusthouse Forte**, at 175p, lost the previous day's gain of 4, while **Grand Metropolitan** also lacked support and reacted 5 to 127p. **Reo Stakis** gave up 3 to 60p.

Reflecting acute disappointment with preliminary profits which, at £27¾m, came more than £5m below the most pessimistic forecasts, **Turner and Newall** fell away steadily to close with a loss of 18 at 109p. Other miscellaneous industrials were unsettled by the poor figures but were also aggravated by general nervousness. However, falls at the close were negligible with **Boots** only 3 off at 189p and **Beecham** a couple of pence down at 121p. **Rank Organisation** moved against the trend, hardening 2 to 214p after the annual meeting. Secondary issues were featured by a fresh improvement of 15 to 160p in **Channel Tunnel** on hopes that further news and a possible decision on the project will soon be made. Demand in a thin market lifted **De La Rue** 27 to 652p, after 655p, while **BTR** rose 8 to 334p on buying ahead of Monday's annual figures. **Portals** put on 8 to 262p, and improvements of 4 and 5 respectively were seen in **Royal Worcester**, 208p, and **Office and Electronic**, 253p. **Dalgety**, on the other hand, lost 6 to 272p as did **Jardine Matheson**, to 141p.

The announcement that **News International** placed its 25 per cent holding in **LWT A** with various institutions late on Tuesday at around 120p left the latter 13 lower at 123p; News International added a couple of pence to 165p. **Ladbroke** fell to 140p following the rejection of the London casino licences appeal, but rallied to end 4 easier on balance at 143p after the company announced that it would make application to the Court of Appeal. Elsewhere among Leisure issues, **Management Agency and Music** encountered increased takeover speculation and rose 4 to record a three-day gain of 10 at 140p. **HTV** added a penny to 96p in front of today's half-timer.

Rolls-Royce encountered further selling on the reduced preliminary profits and closed 3½ lower at 60p. Other Motors also trended to lower levels. In Distributors, **H. Woodward** eased 4 to 44p in response to the sharp downturn in annual profits, while **Caffyns** eased 3 to 180p. Scattered offerings left Components dull with **Dunlop** losing 3 to 60p. **Armstrong Equipment**, 49p, and **Jonas Woodhead**, 96p both shed 2.

Dealings were resumed in **London and Provincial Poster** following the 500p cash per share offer from **Reed International** for the 52 per cent of the equity it does not already hold; suspended at 287p, dealings in the shares resumed at 485p and the close was 475p. **Reed** added a penny to 194p. Other poster advertising concerns made double-figure gains in sympathy. **More O'Ferrall** improving 20 to 140p and **Mills and Allen** 13 to 316p.

Property leaders traded lower with **Land Securities** closing 3 down at 297p and **MEPC** 4 easier at 200p.

Siebens rise afresh

Oil shares passed a fairly quiet trading session. The trend was to higher levels at the start, but prices soon fell back in line with the general trend. Awaiting today's preliminary figures, **BP** closed 8 cheaper at 354p, after 366p, while **Shell** finished 6 lower at 376p, after 386p. **Lasmo** ended 10 off at 450p and **Tricentrol** 6 down at 294p. Among the more speculative issues, **Aran Energy** closed 11 lower at 354p following the preliminary figures and proposed rights issue. Against the trend, **Siebens (UK)** continued the previous day's recovery movement and rallied 20 more to 590p, while **Viking Oil** improved ¼ further to £10¼ following the counter-bid from Sun Company Inc. of the U.S. to the Deminex offer.

Golds rally

South African Golds staged a good rally after the record falls sustained on Tuesday. A firmer trend in bullion—finally $19 up at $587.50 an ounce—encouraged bear closing and good investment demand from London and most other international centres.

Share prices rose sharply during the morning when buying interest was at its height. During the lunchtime period, modest profit-taking emerged and caused a minor setback but fresh interest was reported in the afternoon when most issues regained the upward path to close only a fraction below the day's best. The Gold Mines index recouped 12.2 to 310.8.

Among the heavyweights, **Durban Deep** were outstanding with a rise of £1¾ to £13, while **St. Helena** recovered £1¼ to £15¾ and **East Rand Proprietary** £1¼ to £11⅝. Gains of ½ were common to **Buffels**, £13⅞, **East Driefontein**, £10, and **Western Deep**, £16½.

The sector included a few weak spots, however, renewed selling depressing **West Driefontein** ⅜ more to £30¼ and **Randfontein** another point to £29.

Financials remained uncertain. "**Amgold**" fell £1⅝ to £34¾ and **Union Corporation** 10 to 660p, but **Anglo American** responded to overseas support with a gain of 15 at 555p. **De Beers** attracted Johannesburg buying in the wake of the increased dividend and hardened 2 to 432p.

London Financials closed on a steady note. **Riotinto-Zinc** ended only a penny harder at 385p, after 393p, and **Gold Fields** rallied from 493p to close 2 up on balance at 498p.

In mixed Australians, the leaders tended to recover after their recent heavy falls. **Bougainville** rallied 6 to 174p and **Conzinc Riotinto** 4 to 258p; while **North Broken Hill** put on 2 to 162p. **Hampton Areas**, in which National Carbonising recently acquired Bond Corporation's near-26 per cent holding, rose 10 to 355p.

On the other hand, **Pacific Copper** dropped 18 more to 166p, **Peko-Wallsends** fell 25 to 410p, after 405p, and **Mount Lyell** gave up 10 to 90p. **Leichardt Exploration** rallied from 250p to close a net 25 lower at 325p—a two-day fall of 85 on further consideration of the latest report from its diamond exploration activities in South Africa.

FINANCIAL TIMES STOCK INDICES

—	Mar. 12	Mar. 11	Mar. 10	Mar. 7	Mar. 6	Mar. 5	A year ago
Government Secs.	64.08	64.16	64.15	63.85	63.94	64.31	72.29
Fixed Interest	64.82	64.76	64.70	64.72	64.74	64.86	72.66
Industrial	444.9	455.6	452.3	455.7	458.0	460.4	509.9
Gold Mines	310.8	298.6	337.5	352.3	369.8	364.7	166.5
Ord. Div. Yield	7.58	7.42	7.48	7.39	7.36	7.31	5.48
Earnings, Yld. % (full)	18.80	18.42	18.55	17.87	17.79	17.68	14.32
P/E Ratio (net) (*)	6.60	6.65	6.59	6.85	6.89	6.93	9.15
Total bargains	19,041	20,284	20,341	23,076	21,555	20,274	—
Equity turnover £m	—	85.27	90.77	126.88	106.56	105.47	119.33
Equity bargains total	—	14,702	16,024	17,788	16,211	16,497	26,024

10 am 455.5. 11 am 449.2. Noon 449.5. 1 pm 448.2.
2 pm 445.9. 3 pm 445.2.
Latest index 01-246 8026.
* Nil=6.24.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Industrial Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942.

HIGHS AND LOWS

	1979/80 High	1979/80 Low	Since Compilat'n High	Since Compilat'n Low
Govt. Secs.	75.91 (4/5)	63.30 (10/12)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	77.76 (5/5)	64.06 (15/11)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	558.6 (4/5)	406.3 (15/11)	558.6 (4/5/79)	49.4 (26/6/40)
Gold Mines	377.9 (25/2/80)	129.9 (17/4)	442.3 (22/5/57)	43.5 (26/10/71)

S.E. ACTIVITY

	Mar. 12	Mar. 11
—Daily		
Gilt Edged	130.5	113.0
Industrials	105.5	122.3
Speculative	70.0	71.7
Totals	79.2	85.9
5-d'y A'vr'ge		
Gilt Edged	154.0	158.5
Industrials	116.4	120.2
Speculative	58.8	57.4
Totals	84.7	86.9

LONDON TRADED OPTIONS

Option	Ex'rcise price	April Closing offer	April Vol.	July Closing offer	July Vol.	Oct. Closing offer	Oct. Vol.	Equity close
BP	325	31	3	—	—	—	—	354p
BP	350	18	26	—	—	—	—	"
BP	375	10	1	—	—	—	—	"
BP	390	—	—	24	5	38	9	"
BP	400	5	10	—	—	—	—	"
BP	420		—	16	4	30	—	"
Cons. Gold	460	48	12	76	—	98	—	496p
Cons. Gold	500	24	1	50	2	72	—	"
Cons. Gold	550	8	6	27	2	48	6	"
Courtaulds	70	3½	—	8	48	9½	—	68p
Courtaulds	80	1½	46	3½	—	5½	—	"
GEC	330	50	4	66	—	78	—	369p
GEC	360	25	5	45	—	57	—	"
GEC	390	10	25	29	6	42	—	"
ICI	330	37	8	56	—	—	—	361p
ICI	360	16	29	55	—	46	—	"
ICI	390	5	4	21	2	33	—	"
ICI	420	3	—	14	2	24	—	"
Shell	360	20	5	44	—	54	—	376p
Shell	390	10	1	28	1	34	1	"
Shell	420	4	12	12	1	21	—	"
Totals			200		72		16	
		May		August		November		
Boots	180	17	5	25	—	33	—	190p
EMI	130	15	1	—	—	—	—	142p
Racal Elec.	180	30	27	38	—	—	—	207p
Racal Elec.	200	14	5	26	—	38	—	"
Racal Elec.	220	6	146	17	—	27	—	"
Racal Elec.	240	5½	—	11	40	—	—	"
RTZ	330	70	2	87	—	—	—	386p
RTZ	360	45	7	65	—	—	—	"
RTZ	390	28	2	47	—	60	3	"
RTZ	420	15	5	34	—	45	—	"
RTZ	460	5	3	20	—	28	—	"
RTZ	500	2	3	12	3	—	—	"
Total			206		43		3	

NEW HIGHS AND LOWS FOR 1979/80

The following securities quoted in the Share Information Service yesterday attained new Highs and Lows for 1979-80.

NEW HIGHS (20)

BUILDINGS (2)
Magnet & Southerns — Meyer (Mont. L.)
CHEMICALS (1)
Rentokil
STORES (1)
MFI Furniture
ELECTRICALS (3)
Dubilier — Unitech
Farnell Electronics
ENGINEERING (1)
R.H.P.
INDUSTRIALS (6)
Crosby House — MacLellan (P. & W.)
De La Rue — Office & Elect.
Dom Hldgs. — Parker Knoll A
PAPER (1)
Mills & Allen
PROPERTY (2)
Corn Exchange — Lond. & Prov. Shop
TRUSTS (2)
Kellock — Kellock Conv. Ln.
OVERSEAS TRADERS (1)
African Lakes

NEW LOWS (31)

AMERICANS (5)
Barnes Group — Richardson-Merrell
First Chicago — Xerox Corp
Norton-Simon
CANADIANS (1)
Bell Canada
BANKS (1)
Clive Discount
BEERS (1)
Allied Breweries
BUILDINGS (1)
Wiggins Construction
CHEMICALS (3)
Coates Bros. A N-V — Hoechst Fin. 10pc
Croda Intl. Defd. — Uns. Ln.
STORES (4)
Casket (S.) — Kitchen Queen
Ellis & Goldstein — Readicut
ELECTRICALS (2)
Philips' Lamps — Security Centres
ENGINEERING (4)
Acrow — Black & Decker
Austin (J.) — Wolf Elect. Tools
INDUSTRIALS (3)
Jentique — Unilever N.V.
Solicitors' Law
LEISURE (1)
Boosey & Hawkes
NEWSPAPERS (1)
Assocd. Book Pubs.
TEXTILES (4)
Courtaulds — Rivington Reed
Reliance Knitwear — Yorks. Fine Woollen

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	3	54	33
Corpns., Dom. and Foreign Bonds	4	7	55
Industrials	156	306	933
Financial and Prop.	80	125	290
Oils	10	20	14
Plantations	4	7	17
Mines	59	41	51
Others	49	41	75
Totals	365	601	1,468

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

	EQUITY GROUPS & SUB-SECTIONS (Figures in parentheses show number of stocks per section)	Wed., Mar. 12, 1980 Index No.	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	Tues., Mar. 11 Index No.	Mon., Mar. 10 Index No.	Fri., Mar. 7 Index No.	Thurs. Mar. 6 Index No.	Year ago (approx.) Index No.
1	CAPITAL GOODS (172)	241.14	−0.9	18.18	6.51	6.92	243.31	242.52	243.73	244.41	257.67
2	Building Materials (28)	235.32	−0.4	16.32	6.63	7.59	236.34	236.40	236.92	237.57	234.49
3	Contracting, Construction (28)	362.20	−0.4	25.71	6.56	4.75	370.17	369.75	372.60	373.34	390.20
4	Electricals (15)	617.45	−1.1	13.08	4.04	10.19	624.27	622.96	627.24	630.55	634.49
5	Engineering Contractors (11)	261.34	−1.4	26.32	9.10	4.34	265.23	265.44	269.64	259.78	372.78
6	Mechanical Engineering (74)	164.84	−1.0	20.84	7.92	5.95	166.57	165.88	166.57	166.29	196.97
8	Metals and Metal Forming (16)	167.67	−1.1	20.76	9.23	5.73	169.50	168.48	169.18	168.99	173.06
11	CONSUMER GOODS (DURABLE) (50)	217.13	−0.6	16.39	5.73	7.50	218.46	217.65	218.77	219.54	232.86
12	Lt. Electronics, Radio, TV (15)	307.48	−0.5	12.50	4.33	10.25	308.91	307.56	309.03	310.20	309.78
13	Household Goods (14)	108.09	—	27.49	10.15	4.30	108.12	107.59	109.05	109.22	167.97
14	Motors and Distributors (21)	108.77	−1.1	24.50	8.60	4.79	110.00	109.83	110.30	118.64	124.79
21	CONSUMER GOODS (NON-DURABLE) (173)	219.47	−0.8	18.42	6.97	6.69	221.29	220.23	220.70	222.71	242.51
22	Breweries (14)	264.46	−0.9	16.72	6.64	7.02	266.84	266.32	267.15	268.93	258.80
23	Wines and Spirits (5)	299.01	−1.3	18.15	6.20	6.88	302.91	303.21	303.24	305.73	345.07
24	Entertainment, Catering (17)	299.64	−2.8	18.49	7.01	6.76	308.16	304.35	305.56	310.98	318.11
25	Food Manufacturing (19)	196.30	−0.9	20.79	7.58	5.94	197.99	197.86	199.05	199.82	222.41
26	Food Retailing (15)	303.03	−1.3	13.70	4.95	8.72	306.88	305.29	305.35	308.10	279.80
32	Newspapers, Publishing (13)	427.15	+0.1	23.63	7.09	5.78	426.72	426.03	428.75	436.10	425.97
33	Packaging and Paper (15)	128.16	−0.2	23.24	8.88	5.54	128.44	127.87	128.78	130.61	148.48
34	Stores (43)	222.42	−0.2	13.83	5.12	9.35	222.78	222.07	223.48	224.61	232.01
35	Textiles (24)	128.27	−1.1	27.68	12.01	4.55	129.66	128.64	128.24	128.56	164.69
36	Tobaccos (3)	200.02	−0.7	29.11	11.76	3.99	201.51	198.14	195.74	199.40	208.25
37	Toys and Games (5)	34.50	−1.4	43.59	14.71	2.82	35.00	34.85	34.79	34.83	93.29
41	OTHER GROUPS (97)	202.66	−1.0	17.09	7.12	7.03	204.61	204.23	207.24	208.13	217.94
42	Chemicals (17)	292.43	−1.4	20.93	8.13	5.47	296.52	296.37	306.00	306.79	306.66
43	Pharmaceutical Products (7)	208.93	−1.1	12.19	6.12	10.01	211.30	210.74	213.38	211.89	269.34
44	Office Equipment (6)	116.52	+0.5	18.15	7.01	6.41	115.94	115.10	115.83	117.56	148.03
45	Shipping (10)	467.53	−0.1	11.32	6.91	11.27	468.08	469.68	471.35	478.18	424.06
46	Miscellaneous (57)	241.36	−0.9	16.73	6.71	7.57	243.54	242.87	243.55	245.37	240.59
49	INDUSTRIAL GROUP (492)	227.68	−0.9	17.89	6.80	6.88	229.64	228.81	230.22	231.57	247.26
51	Oils (8)	757.71	−1.9	21.19	5.90	4.98	772.00	768.71	808.05	824.02	616.66
59	500 SHARE INDEX	269.58	−1.1	18.59	6.61	6.37	272.48	271.47	275.74	278.28	277.57
61	FINANCIAL GROUP (118)	193.34	−0.5	—	5.92	—	194.21	193.05	193.60	195.56	196.44
62	Banks (6)	211.43	−0.7	42.73	6.73	2.90	212.89	212.14	216.03	218.80	229.89
63	Discount Houses (10)	212.19	−0.3	—	9.41	—	212.92	212.83	213.25	214.29	244.17
64	Hire Purchase (5)	185.55	−1.2	17.70	5.35	7.34	187.90	185.94	186.12	186.62	179.53
65	Insurance (Life) (10)	171.95	−0.8	—	6.12	—	173.32	173.22	172.79	175.40	153.09
66	Insurance (Composite) (9)	125.83	−0.3	—	7.81	—	126.17	125.87	125.25	126.00	142.61
67	Insurance Brokers (10)	283.06	−1.0	17.58	6.92	8.12	285.98	281.17	284.07	285.13	337.53
68	Merchant Banks (14)	102.57	—	—	5.91	—	102.57	103.12	103.33	103.73	93.43
69	Property (45)	370.93	−0.2	3.58	2.97	40.18	371.80	366.34	363.98	368.22	329.66
70	Miscellaneous (9)	129.63	+0.3	16.03	7.06	8.19	129.28	129.61	130.55	132.13	122.89
71	Investment Trusts (109)	217.38	−0.2	—	5.98	—	217.91	217.20	219.14	221.31	233.97
81	Mining Finance (4)	198.05	+0.3	11.64	4.46	10.43	197.53	205.04	210.02	216.39	129.11
91	Overseas Traders (19)	397.19	−0.3	12.78	6.78	9.58	398.39	402.62	411.39	416.69	362.84
99	ALL-SHARE INDEX (750)	251.81	−0.9	—	6.40	—	253.99	253.34	256.78	259.33	255.88

FIXED INTEREST PRICE INDICES

	British Government	Wed., Mar. 12	Day's change %	xd adj. today	xd adj. 1980 to date
1	Under 5 years	100.49	+0.00	—	2.38
2	5-15 years	102.76	−0.12	—	2.20
3	Over 15 years	106.94	−0.15	—	2.11
4	Irredeemables	118.32	—	—	1.78
5	All stocks	103.16	−0.08	—	2.16

FIXED INTEREST YIELDS
British Govt. Av. Gross Red.

			Wed., Mar. 12	Tues., Mar. 11	Year ago (approx.)
1	Low Coupons	5 years	13.15	13.12	8.98
2		15 years	13.05	13.02	10.61
3		25 years	13.05	13.02	11.44
4	Medium Coupons	5 years	14.98	14.96	11.44
5		15 years	14.64	14.61	12.04
6		25 years	14.42	14.39	12.08
7	High Coupons	5 years	15.12	15.11	11.83
8		15 years	14.95	14.92	12.50
9		25 years	14.83	14.79	12.58
10	Irredeemables		12.50	12.49	11.04

		Wed., March 12 Index No.	Wed., March 12 Yield %	Tues. March 11	Mon. March 10	Fri. March 7	Thurs. March 6	Wed. March 5	Tues. March 4	Mon. March 3	Year ago (approx)
15	20-yr. Red. Deb & Loans (15)	50.08	†14.76	50.06	50.05	50.13	50.20	50.19	50.26	50.29	54.67
16	Investment Trust Prefs. (15)	47.70	13.88	47.70	47.61	47.65	47.55	47.55	47.55	48.15	50.44
17	Coml. and Indl. Prefs. (20)	61.35	14.58	61.26	61.14	61.08	61.04	61.16	61.41	61.55	71.06

† Redemption yield. Highs and lows record base dates and values and constituent changes are published in Saturday issues. A new list of the constituents is available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 15p, by post 25p.

ACTIVE STOCKS

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1979-80 high	1979-80 low
ICI	£1	10	362	− 8	415	314
RTZ	25p	10	385	+ 1	492	226
BP	25p	9	354	− 8	414	220½
Shell Transport	25p	9	376	− 6	410	278
Grand Met.	50p	8	127	− 5	178½	110½
Harmony Gold	R0.50	8	893	+98	£10⅞	265
Rank Org.	25p	7	214	+ 2	300	168
BTR	25p	6	334	+ 8	347	219
GEC	25p	6	369	− 5	456	311
Land Securities	50p	6	297	− 3	323	241
Mills & Allen	50p	6	316	+13	320	185
Pilkington Bros.	£1	6	217	—	398	196
Thorn EMI	25p	6	316	− 2	482	262
Turner & Newall	£1	6	109	−18	176	108
Woolworth (F. W.)	25p	6	69½	+ 1	87	56

OPTIONS

DEALING DATES

First Deal-ings	Last Deal-ings	Last Declara-tion	For Settle-ment
Mar. 3	Mar. 14	Jun. 12	Jun. 23
Mar. 17	Mar. 28	Jun 26	Jul 7
Mar. 31	Apr. 11	Jul. 10	Jul. 21

For rate indications see end of Share Information Service

Calls were dealt in Hestair, Otter Exploration, Kwik-Fit, Lonrho, Furness Withy, Bougainville, Town and City, Premier Oil, RTZ, Burmah, Grand Met., Coral Leisure, BP, Phicom, Courtaulds, C. T. Bowring and Northern Engineering. A put was completed in Hawker Siddeley, while double options were arranged in Rustenburg Platinum and UDT.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price p	+ or −	Div.	Times Covered	Gross Yield	P/E Ratio
50	50p	—	140	95	Berkley Exploration	100	−2				
£1	F.P.	21/3	102	100	Child Health Res'ch.	101					
380	F.P.	14/3	[illegible]	[illegible]	Emess Lighting	[illegible]					
10	F.P.	28/2	11½	10	Keep Inv. Trust 5p	[illegible]		[illegible]			
••	F.P.	7/8	89	72	Lon.Merc (Secs.Deld	83					
—	F.P.	—	34	29	Roche Plant 10p	33		1.25	2.7	5.4	7.7
144	F.P.	—	60	57	WebberElctCom12.5p	59		b3.5	2.6	6.9	5.3

FIXED INTEREST STOCKS

Issue Price £	Amount Paid Up	Latest Renunc. Date	1979/80 High	1979/80 Low	Stock	Closing Price	+ or −
‡‡	F.P.	—	37p	36½p	Aurora 3.85% Cum. Pref.	37p	+½
‖120p	F.P.	15/2	122pm	100p	Clifford (Chas.) 12% Cum. Pref.	120p	−2
¶	F.P.	30/5	98p	95	Felixstowe Dock 9½% Cum Red Pref.	95½	
—	—	2/9	112	111	Globe Inv Tst 11½% Conv Uns Ln '90-95	111	
£10		29/5	8⅝	7¼	Mid Kent Water 9% Red Pref. 1985	7¼	−¼
‡	F.P.	24/4	97	95	Rk'm'nw'h & Uxbridge Wtr. 9%RdPf 1985	95	

"RIGHTS" OFFERS

Issue Price p	Amount Paid Up	Latest Renunc. Date ●	Latest Renunc. Date ■	1979/80 High	1979/80 Low	Stock	Closing Price p	+ or −
135	Nil	21/3	2/5	32pm	27pm	AGB Research	31pm	
$23.50	Nil	—	—	15pm	3pm	Bank of Montreal	5pm	
330	Nil	—	—	61pm	22pm	Cluff Oil	25pm	−2
331½	F.P.	22/2	28/3	69½	58	Edwards (Louis C.)	58pm	
60	F.P.	3/1	24/1	245	660	Hammerson Prop. A	820	
60cts.	Nil	—	—	435pm	120pm	Pancontinental	320pm	−15

Renunciation date usually last day for dealing free of stamp duty. *b* Figures based on prospectus estimate. *g* Assumed dividend and yield. *u* Forecast dividend: cover based on previous year's earnings. F Dividend and yield based on prospectus or other official estimates for 1979. Q Gross. T Figures assumed. ‡ Cover allows for conversion of shares not now ranking for dividend or ranking only for restricted dividends. § Placing price to public. *pt* Pence unless otherwise indicated. ¶ Issued by tender. ‖ Offered to holders of ordinary shares as "rights." ** Issued by way of capitalisation. §§ Reintroduced. ¶¶ Issued in connection with reorganisation, merger or takeover. ‖‖ Introduction. □ Issued to former preference holders. ■ Allotment letters (or fully-paid). ● Provisional or partly-paid allotment letters. ★ With warrants. †† Unlisted security. ‡‡ Issued as units comprising 2 participating pref. shares and 1 ord. share at R3.50 per unit. † Dealings under special rule.

LEADERS AND LAGGARDS

The following table shows the percentage changes † which have taken place since December 31, 1979, in the principal equity sections of the FT Actuaries Share Indices. It also contains the Gold Mines Index.

Mining Finance	+22.00	All-Share Index	+10.53
Electronics, Radio and TV	+20.61	Shipping	+10.37
Overseas Traders	+19.86	Other Groups	+ 9.31
Contracting and Construction	+19.50	Pharmaceutical Products	+ 8.90
Property	+17.39	Consumer Goods (Non-Durable) Group	+ 8.61
Metal and Metal Forming	+16.98	Insurance Brokers	+ 6.89
Stores	+16.54	Chemicals	+ 6.77
Consumer Goods (Durable) Group	+14.74	Financial Group	+ 6.50
Merchant Banks	+14.28	Motors and Distributors	+ 6.16
Capital Goods Group	+14.01	Breweries	+ 5.54
Building Materials	+13.99	Food Retailing	+ 4.35
Hire Purchase	+13.65	Food Manufacturing	+ 4.11
Electricals	+13.57	Insurance (Composite)	+ 3.70
Investment Trusts	+13.21	Wines and Spirits	+ 3.34
Entertainment and Catering	+12.69	Textiles	+ 3.26
Office Equipment	+11.73	Tobaccos	+ 1.26
Packaging and Paper	+11.44	Engineering Contractors	− 0.85
Mechanical Engineering	+11.21	Discount Houses	− 2.91
Gold Mines FT	+11.17	Banks	− 3.38
Newspapers and Publishing	+11.07	Household Goods	− 7.11
Oils	+10.86	Toys and Games	−26.46
Insurance (Life)	+10.83		
500-Share Index	+10.63		
Industrial Group	+10.56		

† Percentage changes based on Tuesday, March 11, indices.

UNIT TRUST SERVICE

OFFSHORE & OVERSEAS—contd.

Lloyds Bk. (C.I.) U/T Mgrs.
[illegible]

Lloyds International Mgmt. S.A.
[illegible]

M & G Group
[illegible]

Midland Bank Tst. Corp. (Jersey) Ltd.
[illegible]

Samuel Montagu Ldn. Agents
[illegible]

Murray, Johnstone (Inv. Adviser)
163, Hope St., Glasgow, C2.
[illegible]

Nat. Westminster Jersey Fd. Mgrs. Ltd.
45 La Motte St., St. Helier, Jersey
[illegible]

Negit S.A.
10a Boulevard Royal, Luxembourg
NAV Mar. 7 [illegible]

Negit Ltd.
Bank of Bermuda Bldgs., Hamilton, Brmda.
NAV [illegible]

Pacific Basin Fund
10a Boulevard Royal, Luxembourg.
NAV [illegible]

Phoenix International
PO Box 77, St. Peter Port, Guernsey.
[illegible]

Providence Capitol Life Ass. (C.I.)
PO Box 121, St Peter Port, Guernsey
[illegible]

Quest Fund Mngmnt. (Jersey) Ltd.
PO Box 194, St. Helier, Jersey.
[illegible]

Richmond Life Ass. Ltd.
48, Athol Street, Douglas, I.O.M.
[illegible]

Rothschild Asset Management (C.I.)
P.O. Box 58, St. Julians Ct., Guernsey.
[illegible]

Rothschild Asset Mgt. (Bermuda)
P.O. Box 664, Bk. of Bermuda Bld., Bermuda
Reserve Assets Fd. |US$9.60 | 9.81| — | —
Prices on Mar. 6. Next dealing March 12.

Royal Trust (C.I.) Fd. Mgt. Ltd.
P.O. Box 194, Royal Tst. Hse., Jersey. 0534 27441
[illegible]

Save & Prosper International
Dealing to:
P.O. Box 73, St. Helier, Jersey. 0534 73933
[illegible]

Schlesinger International Mngt. Ltd.
41, La Motte St., St. Helier, Jersey. 0534 73588
[illegible]

Schroder Life Group
Enterprise House, Portsmouth. 0705 27733
[illegible]

J. Henry Schroder Wagg & Co. Ltd.
120, Cheapside, E.C.2.
[illegible]

Sentry Assurance International Ltd.
P.O. Box 1776, Hamilton 5, Bermuda.
[illegible]

Singer & Friedlander Ldn. Agents.
20, Cannon St., EC4. 01-248 9646
[illegible]

Stronghold Management Limited
P.O. Box 315, St. Helier, Jersey. 0534-71460
[illegible]

Standard Chartered Intl. Bd. Fd.
37 rue Notre-Dame, Luxembourg
[illegible]

Surinvest (Jersey) Ltd. (x)
[illegible]

Surinvest Trust Managers Ltd.
48, Athol Street, Douglas, Isle of Man. 0624 23914
[illegible]

TSB Unit Trust Managers (C.I.) Ltd.
10, Wharf St., St. Helier, Jersey (C.I.). 0534 73494
[illegible]

TSB Gilt Fund Managers (C.I.) Ltd.
10 Wharf St., St. Helier, Jersey (CI). 0534 73494
TSB Gilt Fund | 90.0 | 93.0 | — | 12.90
TSB Gilt Fd. (Jsy.) | 90.0 | 93.0 | — | 12.90
Prices on March 12. Next sub. day March 19.

Tokyo Pacific Holdings N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Mar. 10 US$69.79.

Tokyo Pacific Hldgs. (Seaboard) N.V.
Intimis Management Co. N.V., Curacao.
NAV per share Mar. 10 US$50.84.

Tyndall Group
P.O. Box 1256 Hamilton 5, Bermuda. 2-2760
[illegible]

Utd. Intnl. Mngmnt. (C.I.) Ltd.
14, Mulcaster Street, St. Helier, Jersey.
[illegible]

Unifilia Assurance (Overseas) Ltd.
P.O. Box 1388, Hamilton 5-31, Bermuda
[illegible]

Union-Investment-Gesellschaft mbH
Postfach 16767, D 6000 Frankfurt 16.
[illegible]

van Cutsem & Associates Ltd.
62, Essex Street, London, WC2. 01-353 6845
[illegible]

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2.
[illegible]

Warburg Invest. Mngt. Jrsy. Ltd.
1 Charing Cross, St. Helier, Jsy. CI 0534 73741
[illegible]

Wardley Investment Services Ltd.
[illegible]

World Wide Growth Management
10a, Boulevard Royal, Luxembourg.
[illegible]

Wren Commodity Trust
10, St. George's St., Douglas, IoM 0624 25015
[illegible]

هكذا من الأصل

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED UNIT TRUSTS

Abbey Unit Tst. Mngrs. (a)
72-80, Gatehouse Rd., Aylesbury 0296 5941

Abbey Amer. Gth. Tst.	47.7	50.5	-0.2	1.98
Abbey Capital	36.1	39.0	-0.1	5.66
Abbey General	46.9	50.1	.....	5.91
Abbey Gilt & F.I. Tst.	98.1	104.4	.....	4.79
Abbey Income	41.7	45.0	+0.3	8.57
Abbey Intl. Bd. Tst.	93.4	97.8	-0.4	5.62
Abbey Inv. Tst. Fnd.	37.6	40.7	+0.7	5.83
Equitas Prog. Trust	69.0	74.6	.....	5.83

Allen Harvey & Ross Unit Tst. Mngrs.
45, Cornhill, London EC3V 3PB. 01-623 6314

AHR Gilt & Pref	89.3	94.1xd	.....	13.40

Allied Hambro Group (a) (g)
Hambro Hse., Hutton, Brentwood, Essex. 01-588 2851 or Brentwood (0277) 211459

Balanced Funds				
Allied 1st	75.1	80.4xd	-0.1	5.97
Brit. Inds. Fund	69.3	74.2	-0.1	6.06
Growth & Income	41.2	44.1	-0.1	5.71
Elect. & Ind. Dev.	38.2	40.9	+0.1	5.13
Allied Capital	77.1	82.5	-0.1	5.39
Hambro Fund	117.5	125.7	-0.2	6.92
Hambro Acc. Fund	143.2	153.2	-0.4	5.48
Income Funds				
High Yield Fd.	68.4	73.2xd	.....	10.11
High Income	69.0	73.8xd	.....	7.99
A. H. Eq. Inc.	41.1	44.0	.....	7.95
International Funds				
International	27.5	29.4xd	.....	3.68
Pacific Fund	44.3	47.4	-0.1	2.61
Secs. Of America	57.4	61.4	+0.1	2.28
Specialist Funds				
Smaller Co.'s Fd.	48.6	52.0	+0.1	4.52

Discretionary Unit Fund Managers
22 Blomfield St., EC2M 7AL. 01-638 4485

Disc. Inc. Mar. 7	214.1	228.4	.....	5.31

E. F. Winchester Fund Mngt. Ltd.
44, Bloomsbury Square, WC1A 2RA 01-623 8893

Great Winchester	17.4	19.3	.....	7.18
Gt. Winchester O'seas	20.3	22.4	.....	5.45

Emson & Dudley Tst. Mngmnt. Ltd.
20b Albemarle St., W1. 01-493 3211

Emson Dudley Tst.	77.4	83.2	.....	6.00

Equity & Law Un. Tr. M.♥ (a)(b)(c)
Amersham Rd., High Wycombe. 0494 33377

Equity & Law	74.4	78.3	-0.3	5.37

Fidelity International Management Ltd.
62-63, Queen St., London, EC4R 1AD. 01-248 4891

American	24.7	26.1	+0.1	1.00
Fixed Interest	25.3	26.7	+0.1	12.10
Growth + Income	29.3	30.9	.....	7.80
Special Sits.	28.7	30.3	.....	3.00

James Finlay Unit Trust Magt. Ltd.
10-14, West Nile Street, Glasgow. 041-204 1321

J. Finlay Internat'l	27.0	29.0	-2.5	2.49
Accum. Units	32.7	35.2	-3.0	2.49
J. Finlay High Income	33.8	36.3	-0.7	9.74
J. Finlay Euro.Fin.	21.4	23.0	-0.4	3.75
Accum. Units	26.4	28.4	-0.5	3.75
J. Finlay Fd. In. Tst.	32.4	34.8	+0.4	5.39
Accum. Units	39.1	42.0	+0.5	5.39

Prices on March 12. Next dealing March 19.

Framlington Unit Mgt. Ltd. (a)
64, London Wall, EC2M 5NQ. 01-628 5181

American	49.6	52.6	.....	1.37
American Turnaround	50.0	53.0	.....	2.00
Capital Tst.	53.0	56.2xd	+0.2	4.83
(Accum. Units)	53.6	57.0	+0.2	4.83
Extra Income Trust	49.0	52.0	+0.2	10.12
Income Tst.	37.6	40.0	+0.2	8.32
Int. Growth Fd.	42.8	45.4	+0.2	2.22
(Accum. Units)	45.2	48.0	+0.2	2.22

Friends' Provdt. Unit Tr. Mgrs.♥
Pixham End, Dorking. 0306 5055

Friends Prov. Units	48.9	52.2	-0.1	4.88
Do. Accum.	67.4	72.0	-0.1	4.88

Funds in Court*

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OFFSHORE & OVERSEAS FUNDS

Continued on previous page

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BRITISH FUNDS

"Shorts" (Lives up to Five Years)

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
99¼	95⅜	Treasury 9½pc '80‡‡	98⅜	......	9.62	16.34
97	92¾	Treasury 3½pc '77-80	96⅝	......	3.61	15.97
97⅝	92¾	Funding 5¼pc '78-80‡‡	97⅝	......	5.39	15.63
103⅝	97½	Exchequer 13pc 1980‡‡	97⅞	......	13.27	15.96
102⅞	95⅝	Treasury 11½pc 1981‡‡	95⅞	+⅛	11.86	15.34
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Five to Fifteen Years

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Undated

INTERNATIONAL BANK

CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS

Public Board and Ind.

Financial

1979-80 High	Low	Stock	Price £	+ or −	Yield Int.	Red.
103¾	96	FFI 13pc 1981	96¾	......	13.44	16.99
108¼	93½	Do. 14pc '83	94¾	+¼	14.77	15.85
86½	77½	ICFC 5½pc Deb. '80-82	83xd	+¼	6.79	14.07
85	69	Do. 6¼pc Db. '81-84	74	......	8.78	14.60
99	79½	Do. 10¼pc Uns.Ln. '86	83½	−½	12.29	15.40
99	77	Do. 11pc Uns.Ln. '88	83	......	13.59	14.75
101½	80	Do. 11½pc Uns.Ln. '90	85½	......	14.12	15.10
72½	54½	Do. 7¼pc A Deb. '89-92	58½	......	12.88	15.00
69	51½	Do. 7¼pc A Db. '91-94	54½xd	−½	13.30	15.00
72	64	Do. 9pc 'A' '91-94	65xd	......	13.85	15.00
78½	61	Do. 8¾pc Ln. '92-97	62xd	−½	14.51	15.00
102	84½	Do. 12¼pc. Uns. Ln. 1992	84½xd	......	14.79	15.40

FOREIGN BONDS & RAILS

AMERICANS

CANADIANS

BANKS AND HIRE PURCHASE

1979-80 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Gr's	P/E
110	47	Clive Dis'nt 20p	47	−1	5.33	—	16.2	—
224	121	Com'l Aus. ($A1)	142	−2	†Q18c	3.0	6.6	5.0
*935	862	Com'zbk DM 10	875	......	Q6.6%	—	7.9	—
£18½	875	C'hgn.Hbk.Kr100	875	......	Q13%	—	15.3	—
41	20	Corinthian 10p	38	−2	†1.05	5.9	5.0	3.5
£24¼	£15	Cred. France F75	£17	......	Q12.5%	—	6.1	—
13	5	Dawes (G. R.)	12	......	—	—	—	—
*£19½	£62½	Deutsche Bank DM50	£62½	......	Q8.12%	—	5.9	—
90	55	F. C. Finance	60	......	2.2	4.9	5.2	5.5
17	5¼	First Nat. 10p	14½	−¼	—	—	—	0.9
4	1½	Do. Wrrts. 75-83	2	......	—	—	—	—
266	178	Gerrard Natnl	206	−2	†9.12	—	6.3	—
84	38	Gibbs (A.)	84	+2	2.2	—	3.7	—

BANKS & HP—Continued

Hire Purchase, etc.

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INDUSTRIALS—Continued

1979-80 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
78	48	Hay (Norman) 10p	54	......	3.7	1.8	9.8	8.2
*176	98	Hay's Wharf £1	166	−1	F7.21	3.1	6.2	(6.5)
65	27	Hensher 'A' 10p	61	......	2.5	3.5	5.9	7.0
132	72½	Hepworth Crmc.	106½	−1½	t4.9	3.6	6.6	7.3
76	25	Hestair	27	+1	‡3.5	—	‡	—
50	18	Hewitt (J.) 5p	49	......	1.28	6.3	3.7	5.4
72	40	Highgate & Job 50p	41	......	—	—	—	—
100	58	Hill (Chas.) £1	60	......	d2.0	—	4.8	—
*49½	28	Hirst Mal'son 20p	28	−1	2.6	1.4	13.3	(5.4)
90	74	Holden (A.)	78	+3	†4.0	3.4	7.3	5.4
75	43	Hollis Bros	47	......	†5.12	1.8	15.6	4.5
256	148	Holt Lloyd Int. 10p	240	−2	H9.0	2.3	5.4	13.2
222	107	Hoover 'A'	137xd	+4	12.0	0.9	12.5	(13.0)
163	93	Hoskins & H 20p	95	......	10.39	1.4	15.6	5.9
83	23½	Howard Tenens	80#	......	†φ1.9	—	3.4	—
375	142	Hunting Assoc.	345	−5	22.5	11.4	1.0	9.8
90	48	Huntleigh 10p	83	−2	†0.76	4.5	1.3	15.1
90½	40	Hutch Whamp SHK1	69	−1	Q23c	2.5	3.1	12.8
35	20½	Hyman (I. & J.) 5p	21	+½	†d0.96	3.6	6.5	6.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

INSURANCE—Continued

1979-80 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's	P/E
137	79	Howden (A.) 10p	106	−1	7.0	1.6	9.4	8.9
£46	£36	Do Warrants	£44½	......	—	—	—	—
190	138	Legal & General	170	−2	†6.51	—	5.5	—
160	118	Lon. & Man. 5p	156	......	†7.24	—	6.6	—
196	120	London United 20p	155	......	†5.31	4.2	4.9	6.9
194	88	Minet Hldgs. 20p	99	−1	†3.72	3.9	5.4	6.1
60	26	Moran (Chris) 20p	30	......	4.0	1.3	19.0	5.7
304	216	Pearl 5p	288	−2	14.05	—	7.0	—
306	198	Phoenix	224	−2	†11.56	—	7.4	—
158	132	Provident	150	......	†9.12	—	8.7	—
193	134	Prudential	177	−2	†8.06	—	6.5	—
172	132	Refuge 5p	164	......	†9.2	—	8.0	—
443	288	Royal	333	......	21.5	—	9.6	—
123	78	Sedg Forbes 10p	95	−2	5.0	2.3	7.8	8.1
110	67	Stenhouse	71xd	−1	4.52	2.1	9.1	7.0
230	158	Stewart Wr. 20p	198	......	†11.05	2.4	7.9	6.6
682	474	Sun Alliance £1	566	−2	†22.5	—	5.7	—
156	95	Sun Life 5p	155	......	6.54	—	6.0	—
938	458	Taisho Mar. EDR	459	−5	Q10%	—	0.3	—
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

LEISURE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

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PROPERTY

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MINES—Continued

CENTRAL AFRICAN

1979-80 High	Low	Stock	Price	+ or −	Div. Net	C'vr	Y'ld Gr's
430	97	Coronation	350	+5	Q54c	2.2	8.8
680	132	Falcon Rh.50c	620	+10	Q100c	1.7	11.1
48	11	Rhod'n Corp. 16½p	33xd	+1	0.56	8.5	2.1
267	70	Roan Cons. K4	190	......	†Q0.12	φ	4.0
67	26	Wankie Col. Rh.1	60	+1	Q9c	1.5	10.3
57	9	Zam.Cpr.SBD0.24	34	−1	—	—	—

AUSTRALIAN

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NOTES

REGIONAL MARKETS

OPTIONS

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FINANCIAL TIMES

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Brussels action on U.S. fertiliser

By Sue Cameron, Chemicals Correspondent

THE EEC Commission has begun anti-dumping proceedings against the U.S. over cheap imports of a liquid nitrogen fertiliser.

European producers allege export prices to the Community are on average 17 per cent cheaper than domestic U.S. prices for the same product.

There are further claims that imports from the U.S. of the fertiliser—a liquid solution of ammonium nitrate and urea—are being sold in Europe at less than cost price.

Liquid nitrogen fertilisers are made in several types and form an important component in European agriculture. The one under scrutiny account for about 10 per cent of West Europe's total fertiliser market.

One of the biggest U.S. exporters of such fertiliser to Europe is thought to be Allied Chemical. It is said to have made significant inroads into the French and West German markets.

The Commission has asked interested parties to submit evidence and comments on the anti-dumping allegations.

French producers are understood to have been particularly hard hit by the U.S. imports.

The protests of French and German producers follow a reversal in the traditional trading pattern in liquid nitrogen fertilisers. Until last year, European producers traditionally exported to the U.S.

One of the raw materials used, ammonia, is made from gas. European companies say cheap imports of the fertiliser from the U.S. are based on the comparatively low, Government-controlled price of gas in America.

At present, the European price of ammonia, both on the spot market and contract supplies, is about $180 a tonne. The U.S. price is thought to be about $135 a tonne.

The U.S. also has access to comparatively cheap supplies of ammonia from the Soviet Union through a long-term deal between the Soviets and the U.S.-based Occidental group. Occidental is expected to import 1m tonnes of ammonia from the Soviet Union this year. In return the group exports superphosphoric acid.

There are two types of fertiliser available—straight nitrogen fertiliser and compound fertiliser. The liquid solution of ammonium nitrate and urea is a straight nitrogen fertiliser.

German capital curb may go

BY KEVIN DONE IN FRANKFURT

THE WEST GERMAN monetary authorities have been forced to consider relaxing restrictions currently governing the import of capital into the Federal Republic.

The Bundesbank, the West German central bank, and the Government are facing an abrupt change of policy at today's meeting of the Bundesbank council, due to the continuing high level of capital outflows.

Since the beginning of January, currency reserves have fallen by an estimated DM 15bn. The rapid decline into deficit of the current payments account and the continuing strength of the U.S. dollar have led to a considerable weakening of the Deutsche Mark.

Decisions taken at the last meeting of the Central Bank council two weeks ago were aimed at stabilising the West German currency. However, the dollar has continued to gain ground on foreign exchange markets, although the pace was less hectic yesterday with the dollar closing in Frankfurt at DM 1.8070.

Today's meeting of the Bundesbank Central Council is to be attended by Herr Manfred Lahnstein, the State Secretary at the Federal Finance Ministry. It is likely that decisions will be taken to allow foreigners to hold Federal "Schuldscheine," or Deutsche Mark denominated promissory notes, with a maturity of more than two years. Under the present rules foreigners are limited to holding "Schuldscheine" with a maturity of more than four years.

This would be a sharp reversal of policy. Only a few weeks ago, the Bundesbank was trying to tighten its rules to slow the emergence of the D-Mark as a reserve currency.

At the same time, sale of other securities of more than two years' maturity will also be allowed, although there will have to be a change in legislation for this.

A relaxation is also expected of the recently-concluded "gentleman's agreement" between the Bundesbang and the commercial banks which laid down that no German bank would be allowed to sell to a foreigner promissory notes with an average maturity of less than five years.

That stop was taken to slow overseas purchases and to hold back the development of the D-Mark's reserve currency role. But it appears that "Schuldscheine" capital inflows are now being considered on the contrary as a useful way of helping to fund the current account deficit.

Relaxation of the rules governing foreign sales of promissory notes comes at a time when the Government is considering more generally the encouragement of foreign capital imports and Bon itself is emerging as a potential borrower of foreign funds.

Money Markets, Page 31

Kuwait demands impede oil talks

BY RICHARD JOHNS, MIDDLE EAST EDITOR

KUWAIT is holding out for participation with oil companies in downstream investment as part of the price for signing new long-term supply agreements.

The demand has emerged from negotiations with British Petroleum, Shell and Gulf, on contracts to replace those expiring this year. It is believed to be a major impediment to their quick completion.

Following Kuwait's decision to cut production from its main fields by more than 25 per cent to 1.5m barrels a day from next month, the Ministry of Oil has indicated that supplies to the three companies will be reduced, perhaps by a half or more.

Kuwait is also understood to be bargaining for a stake in joint ventures in consuming countries.

Sheikh Ali Khalifa al Sabah, Minister of Oil, acknowledges that Kuwait is seeking something extra in return for providing security of supply, but declines to say what.

The kind of projects which the Kuwait Government has in mind are oil-related ones, such as refineries, gas facilities, and petrochemical plants.

The State is urgently looking for opportunities to invest in real assets outside its own boundaries, unlike Saudi Arabia, which is seeking equity partners for hydrocarbon-based projects within the kingdom.

Yesterday, BP, Gulf and Shell refused to comment on the negotiations.

According to reports from Tokyo, Kuwait has told Japanese importers of its Liquefied Petroleum Gas that shipments contracted on an f.o.b. basis will be cut by 50 per cent from next month because of the reduction in oil output.

In another development, Kuwait has reportedly reached agreement with Malaysia on an oil swap arrangement. Malaysia would receive Kuwait's heavy crude, in exchange for its own light, which would go to third-party countries.

Comet faces 'loss leader' court ruling

By Guy de Jonquieres

HOTPOINT, the electrical appliances manufacturer, is to seek a court declaration that its products have been treated as "loss leaders" by the Comet discount retail chain.

It is the first time a company has sought a precise legal ruling on what constitutes loss leading. The practice is described in the Resale Prices Act as the pricing of a product at a level not intended to earn a profit but simply to attract customers into a retail store.

The Act does not specify at what level of pricing a product can be said to be a loss leader, though it states that a manufacturer is entitled to withhold deliveries from a retailer if the latter uses his products for loss leading.

Hotpoint revealed its intentions in a writ issued against Comet this week. Three weeks ago, the manufacturer asked Comet to supply detailed information about its cost structure and margins on products including its own Newpol brand of appliances.

In late 1978, Hotpoint refused to supply an order from Comet for goods worth more than £700,000 on the grounds that it was dissatisfied with the retail chain's policies for stocking and displaying products.

Last June, however, Hotpoint agreed to resume deliveries after the Office of Fair Trading issued a High Court writ accusing it of attempting to impose minimum retail sales prices.

Comet has denied that it has treated Hotpoint products as loss leaders.

Strike threat to air holidays

BY PHILIP BASSETT, LABOUR STAFF

AIR TRAFFIC controllers at Luton, a mainly package holiday airport, have voted to strike for four days over Easter to support a pay comparability claim for 560,000 local authority white-collar staff.

The National and Local Government Officers' Association, which represents the Luton controllers, said yesterday that the strike is due to begin at midnight on Thursday, April 3 and that the action would "completely disrupt" services.

The airport this Easter expects to handle more than last year's figure of 30,000 passengers over the four days—in well over 300 flights throughout the whole period.

It is used by most of the major UK holiday tour operators, including British Airtours, Britannia Airways, Air Europe, Dan-Air and Laker as well as some European airlines. It is also used extensively for business aviation and is the home base for McAlpine Aviation.

Controllers at the smaller Coventry airport have also voted to strike over the holiday to support their white-collar NALGO colleagues.

The union said that staff in a number of London boroughs and other local councils had stopped all work over the issue of rate demands. The action includes staff working on LOLA — the London On-line Local Authorities computer — which services four large boroughs. Only 3 out of 40 London council branches contacted by the union yesterday had not blacked rate work.

Ratepayers in some authorities are likely to face supplementary demands later in the year, in addition to their delayed rate bills, if the blacking of rate demands lasts for more than a few weeks.

The supplementary demand which would be levied mainly to pay the interest on money borrowed to ease the financial pressure on councils caused by the halting of rate payments would also include an amount to cover the cost of the eventual pay settlement.

Local authority meat inspectors, who approve the supply of meat from abattoirs, will meet next week to consider how best to implement the union's instruction to take industrial action.

Causes and effects of dispute, Page 7

THE LEX COLUMN

Turner & Newall falls short

The stock market marked Turner and Newall's shares down sharply when it saw the group's pre-tax profits of £27.5m, as much as £10m lower than some of the analysts had been predicting. And it marked them down further when it caught a glimpse of the summarised balance sheet. In the end, the price was 18p lower at 109p, where the yield on a maintained (but far from fully covered) dividend is 16.1 per cent.

Bolstered by a good second quarter, T and N thought at the time of the interim statement in September that the second half was going to show a modest improvement. But demand sagged in several important areas, like automotive components and plastics, and the promised benefits from new plants appear to have been swallowed up by commissioning costs.

With the engineering strike costing £3m or more, the second half produced only £8.7m against the £18.8m of the first six months; UK trading profits were 43 per cent lower than in the previous second half.

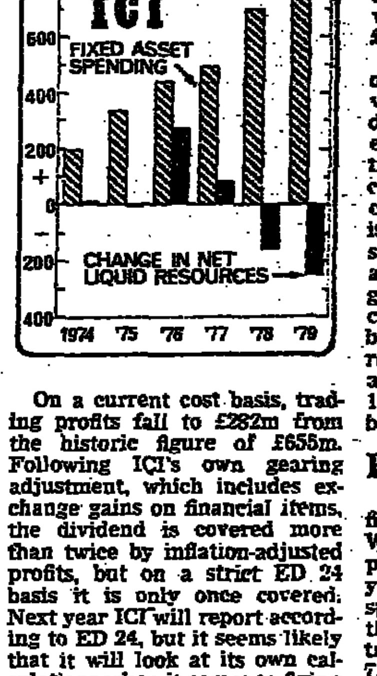
While cash flow was under pressure last year T and N had a £34m capital spending programme to finance, not to mention big price increases for raw materials, and net borrowings shot up by over £40m to £125m. Although this still represents no more than about 33 per cent of adjusted capital employed, the capital spend will be another £27m in 1980.

This year, says T and N, the payoff from its new plants will come at last—though it is only at 60 per cent of capacity in PVC and it is apparently finding it slow going to develop a market for its new specialised glass fibre insulation products. For the moment its policy appears to be to maintain the dividend, put on a brave face, and hope that something—a trade recovery, or a rights issue, or a Zimbabwe bonus—will turn up.

ICI

In common with the aggregate of British industry, ICI found its higher 1979 profits coming from stock appreciation and the North Sea. These factors, together with a solid performance, particularly in overseas markets, by the basic chemical business, have papered over the cracks: fibres lost £33m, organic dyestuffs barely broke even, and plastics are now coming under pressure from U.S. imports. Chemical demand still seems to be bumping along on a plateau, but the downturn is probably not far away.

Index fell 10.7 to 444.9



On a current cost basis, trading profits fall to £282m from the historic figure of £655m. Following ICI's own gearing adjustment, which includes exchange gains on financial items, the dividend is covered more than twice by inflation-adjusted profits, but on a strict ED 24 basis it is only once covered. Next year ICI will report according to ED 24, but it seems likely that it will look at its own calculations when it comes to fixing a dividend, which leaves it plenty of room to be generous.

Last year saw ICI's capital spending, which has been keeping well up with international competition, peak at £760m; it may be around £700m this year, and then fall further in 1981. This level of expenditure, together with very high working capital needs, has led to another hefty outflow of cash—net liquid resources fell £256m, and long-term debt rose £127m.

The intention now is to prevent any further increase in capital gearing in order to preserve ICI's ability to fund a major expansion into Europe and the U.S.—authorised capital is to be raised, which probably means convertible bonds rather than a rights issue. Without Ninian, ICI might have to draw in its horns; as it is, the windfall can be used to build up sources of future overseas income.

BSR

The combination of strong sterling, a weak yen and falling demand in the vital U.S. record-changer market has torn BSR to shreds in 1979. Pre-tax profits are down from £15.2m to £3.9m, and net borrowings have risen from £7m to over £26m. At one stage in the year the group got caught with stocks of finished products as high as £30m—by January they had been cut to £23m, and retrenchment continues. Closures and lay-offs in the sound reproduction division are perhaps at an end for the moment, but BSR may decide to dispose of the Judge enamelware business, still losing nearly £1m a year.

BSR believes that the bottom of its recession is past—U.S. wholesalers have finished their destocking and currencies are edging the right way. The continuing cutback of working capital should release more cash; meanwhile the company is stressing its net worth—shareholders' funds are still around £80m, as write-offs of goodwill, exchange losses and closure costs have been offset by an expedient property revaluation. At 34p the yield, after a lower final dividend, is 12.4 per cent, but recovery will be a long haul.

F. W. Woolworth

A better performance in the final quarter has allowed F. W. Woolworth to push up pre-tax profits by 7.8 per cent in the year to January to £57.3m, in spite of the sharp setback in the third quarter. Over the year trading margins improved from 7.8 to 8.4 per cent, helped by the substitution of clothing capacity for food but, as always, volume was disappointing. The 7.9 per cent expansion in sales ex-VAT represents a slight decline in real terms.

Revamped Department of Trade retail sales statistics provide evidence suggesting substantial slippage in the company's market share. For the first time the index included a mixed category covering department stores, variety stores and mail order businesses. In sharp contrast to Woolworth's performance, volume in this category increased by more than 5 per cent last year.

There are few signs that the company will be able to outperform its younger and more aggressive rivals in what is expected to be a difficult year for retail sales. Stock cutting may help prevent any further increase in interest charges, but miracles from the move into clothing are unlikely, especially when last year clothing took up 17 per cent of floor space to produce 11 per cent of sales. The share price moved up 1½p yesterday to 69½p, encouraged by the 10 per cent dividend increase and possibly the resurrection of the rumour that the parent company is considering accepting a bid for its stake. The yield is now about 10½ per cent.

Recruitment service for non-executive directors

BY GARETH GRIFFITHS, LABOUR STAFF

THE Institute of Directors is to link with Tyzack and Partners, management consultants, to form a recruitment service for non-executive directors.

The Bank of England, the Confederation of British Industry and the Stock Exchange are expected to announce shortly details of an alternative scheme to increase the number of non-executive directors in British industry.

The institutes' projects will run for an initial 12 months. Mr. Walter Goldsmith, the director general, said costs would be met equally by the institute and Tyzack's. Fees, in some cases equal to a year's salary, would be similarly shared.

The recruitment drive will be aimed at executives, not necessarily those already on company boards. It will also concentrate on people with general abilities rather than specialists like merchant bankers or accountants. The 30,000 members of the institute will be used as a basic list, although there will be a supplementary list of promising senior executives.

The rival Bank of England, CBI and Stock Exchange scheme is still under consideration, but is expected to be launched within three months.

This scheme will involve the sponsoring organisations drawing up a list of management consultants who would then undertake director recruitment. There are no plans to involve the scheme's backers in the day-to-day running of the project

The Bank is particularly keen to stimulate non-executive board recruitment and Mr. Gordon Richardson, the Governor, has been pressing strongly for greater non-executive involvement for 18 months.

Mr. Goldsmith said the institute had told the CBI of its intentions a month ago. It hoped to be included on the list of recommended consultancy schemes and did not consider the two schemes mutually exclusive.

The institute's scheme will be run by a team of about 20 consultants from Tyzack. It plans to set up a separate company after a year if the scheme is successful

Editorial Comment, Page 22

Ladbroke fails to regain London casino licences

BY ANDREW FISHER

LADBROKE GROUP has failed in its latest attempt to win back licences for three of its London casinos, but intends to appeal against yesterday's High Court refusal to reopen the matter.

Lord Widgery, the Lord Chief Justice, dismissed Ladbroke's application for a reversal of Knightsbridge Crown Court's refusal last December to revoke the withdrawal of the licences.

The three Mayfair casinos—the Hertford Club, the Hyde Park Casino, and the Ladbroke Club—were closed after the Crown Court agreed with an earlier decision by magistrates that the licences should be taken away because of past misconduct.

Ladbroke made the application through its two casino companies, Ladup and Hyde Park Casinos, arguing that the Knightsbridge court had not taken full account of the restructuring of the division under a new subsidiary, City and Provincial Gaming Holdings.

Lord Widgery said the loss of a gaming licence was the severest penalty imposed by the Gaming Act for breaches, and one conviction of any person for an offence committed on the gaming premises could be good grounds for using this sanction.

"It would be no exaggeration to say that hundreds of offences of that kind had been proved or admitted," he added, although none had been prosecuted to conviction. The offences involved the tempting of heavy gamblers away from rival casinos.

On the actual restructuring, completed just six days before the Crown Court appeal began last November, Lord Widgery commented: "It might indicate repentance, but at best it would be a deathbed repentance."

If the licences had been renewed after the previous refusal, Lord Widgery said this "might well be regarded by the man in the street as an unwarranted display of mercy being shown to a large corporation which had made vast sums of money from its illegal operations—mercy of a kind which would never be extended to an individual."

Still to be decided is the future of Ladbroke's other London casino at the Park Tower Hotel in Knightsbridge.

Weather

UK TODAY

COLD in most areas with showers and sunny intervals.

London, and S. England, E. Anglia, Midlands, Channel I, S. Wales

Cold, showers, sunny intervals. Max 7C (45F).

E. and N. England, N. Wales, Lake District, I. of Man

Wintry showers, snow on hills, sunny intervals. Max 6C (43F).

Borders, S.W. Scotland, Edinburgh, Aberdeen, Glasgow

Fog, showers, snow on hills. Sunny intervals. Max 6C (43F).

Cent. Highlands, Moray Firth, N.W. and N.E. Scotland, Argyll, N. Ireland

Snow on hills, wintry showers. Max. 5C (41F).

Orkney, Shetland

Cold, occasional showers. Max. 4C (39F).

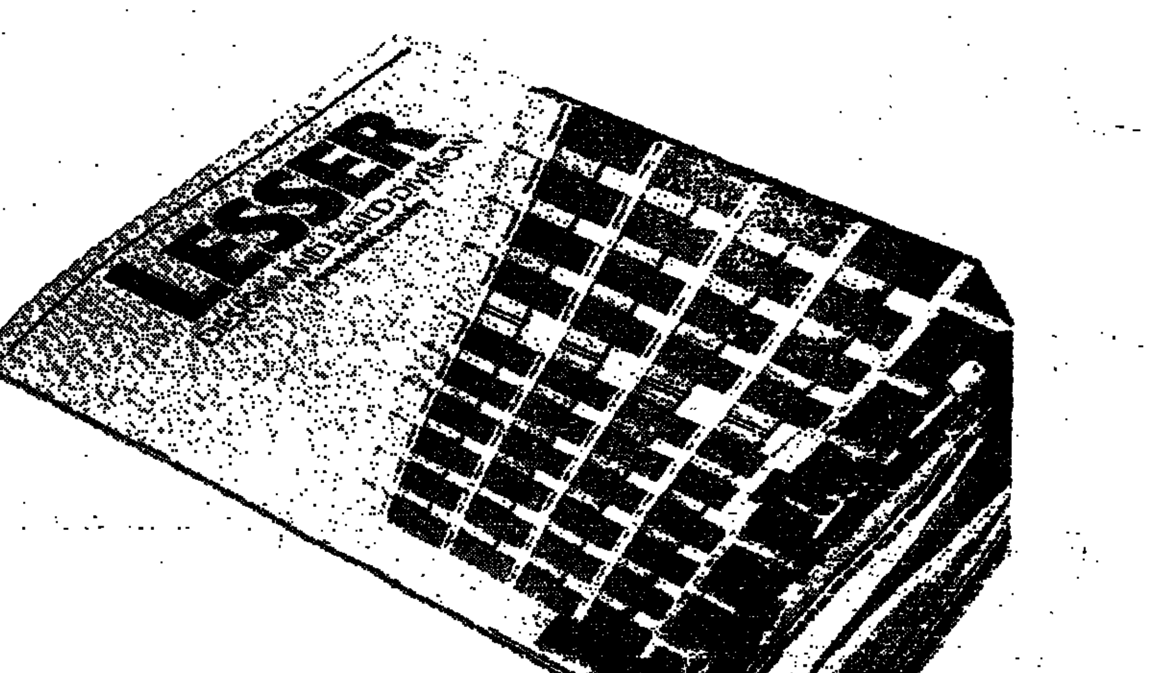
Outlook: Showers, sunny intervals. Cold with overnight frost in places.

WORLDWIDE

		Y'day midday °C	°F			Y'day midday °C	°F
Ajaccio	C	12	54	Lisbon	S	17	63
Algiers	C	13	55	Locarno	S	11	52
Amsdm.	R	7	45	London	R	10	50
Athens	R	10	50	Luxmbg.	C	5	41
Bahrain	S	26	79	Luxor	S	25	77
Barclns.	S	14	57	Madrid	S	14	57
Beirut	F	15	59	Majorca	S	14	57
Belfast	F	6	43	Malaga	S	19	66
Belgrd.	R	5	41	Malta	F	16	61
Berlin	C	4	39	Mchstr.	R	7	45
Biarritz	F	12	54	Melbne.	S	27	81
Bmghm.	R	10	50	Milan	S	12	54
Blackp'l	R	7	45	Mntreal.	S	−9	15
Bordx.	C	11	52	Moscow	S	−3	27
Boulgn.	R	8	46	Munich	R	3	37
Bristol	R	10	50	Nairobi	S	25	76
Brussels	R	7	45	Naples	F	12	54
Budpst.	F	6	43	Nwcstl.	R	5	41
B. Aires	S	29	84	Nice	S	15	59
Cairo	S	19	66	Oporto	S	16	61
Cardiff	R	9	48	Oslo	S	−2	28
Cas'b'ca	S	19	66	Paris	C	8	46
Cape T.	C	25	77	Perth	C	24	75
Chicago	C	−4	25	Prague	F	4	39
Cologne	C	8	46	Reykjvk.	Sn	−2	28
Cpnhgn.	C	1	34	Rhodes	F	14	57
Corfu	C	11	52	Rio J'o	S	32	90
Dublin	F	8	46	Rome	F	14	57
Dbrvnk.	F	11	52	Salzb'rg	C	4	39
Ednbgh.	F	9	48	Singapr.	S	31	87
Faro	S	19	66	Stckhm.	S	0	32
Florence	S	14	57	Strasb'g	C	7	45
Frankf't	C	5	41	Sydney	R	21	70
Funchal	F	17	63	Tangier	S	21	70
Geneva	F	6	43	Tehran	R	6	44
Gibrltr.	S	19	66	Tel Aviv	F	17	63
Glasgow	C	8	46	Tenerife	S	16	61
G'nsey	C	9	48	Tokyo	S	8	46
H. Kong	C	18	64	Toronto	S	−7	20
Innsbrk.	F	8	46	Tunis	R	10	50
Invrnss.	F	7	45	Valencia	S	17	63
Istanbul	R	4	39	Venice	S	11	52
Jersey	R	9	48	Vienna	C	5	41
Jo'burg	C	18	64	Warsaw	C	1	34
L. Plms.	S	20	68	Zurich	C	6	43

C—Cloudy. F—Fair. Fg—Fog. R—Rain. S—Sunny. Sl—Sleet. Sn—Snow.

THERE'S A LOT TO BE SAID FOR AN ARCHITECT WHO CAN BUILD



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Schmidt gets letter from Brezhnev

BY JONATHAN CARR IN BONN

HERR HELMUT SCHMIDT, the West German Chancellor, has had a letter from President Leonid Brezhnev of the Soviet Union bringing no sign either of an improvement in the Afghanistan crisis or of an early meeting between the two leaders.

Herr Schmidt said yesterday that although the letter carried no direct threats, it strongly criticised U.S. policy and had an undertone of warning for the whole Western Alliance.

Herr Schmidt said the gist of the letter was that the West was responsible for the worsened international situation, and that "alas, alas, alas," under these circumstances the Soviet Union had had to intervene in Afghanistan.

The Chancellor said he received the letter as he was setting off for Washington last week for talks, on Afghanistan in particular, with President Jimmy Carter.

The timing was widely seen as an effort by Mr. Brezhnev to influence directly Herr Schmidt's views, and hence the course of the Washington talks. But since the main results of the discussions became known, the Soviet press has taken the unusual step of criticising Herr Schmidt by name and accusing him of supporting the U.S. line on all key questions.

The content of the Soviet letter and of the talks with Mr. Carter will be discussed when Herr Schmidt meets President Valery Giscard d'Estaing of France in Hamburg this weekend. M. Giscard will report on the results of his recent trip to the Middle East and the Gulf States, and on the prospects for forging closer links between Europe and the region as a means of countering the Afghanistan threat.

In his letter Mr. Brezhnev suggested no date for a meeting with Herr Schmidt — although shortly before the Afghanistan crisis it had been expected the two leaders would meet in Moscow this spring.

Replying to rumours in Bonn that there had been other indirect signs that he might meet Mr. Brezhnev soon, Herr Schmidt said all sorts of signals came his way. It was more important that the two superpowers stayed in close contact. He ruled out any suggestion that West Germany might act as an intermediary.

Herr Schmidt said Mr. Brezhnev had repeated Soviet criticism of Nato's decision last December simultaneously to prepare to arm itself with intermediate range nuclear missiles while offering disarmament negotiations to the East. Mr. Brezhnev said the Warsaw Pact could not negotiate unless the Nato decision were rescinded.

But, Herr Schmidt said, Mr. Brezhnev knew Nato had no intention of rescinding it.

A completely new situation would arise if the Soviet Union agreed to halt production of its SS-20 missiles and the backfire bomber, said Herr Schmidt.

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